



Bulletin No. ISD/5

# **WAGES AND PRODUCTIVITY IN ORGANISED MANUFACTURING SECTOR**

**1960-61 TO 1976-77**

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## P R E F A C E

Based on the results of the Annual Surveys of Industries (ASI) for the period 1960 to 1976, an analysis of the trends in wage levels in registered factory sector is undertaken in the present study with particular reference to the differentials among the large and smaller units covered respectively by the census and sample sectors of ASI. The related aspects of trends in productivity levels and share of wages in value added are also examined. Further, the intra and inter-regional trends in wages, productivity and share of wages in value added are also analysed in respect of six industrially important States.

Owing to non-availability of the time series data relating to the unorganised manufacturing sector, the inter-temporal analysis for this sector could not be attempted. However, the analysis of wage differentials between the registered and unorganised manufacturing sectors is presented for the time periods for which data are available. The inter-sectoral analysis is also extended to focus the differentials in prevailing wages in industrial sector with that of the rural labour.

In the context of an economy with widespread unemployment and under employment and also with the simultaneous phenomena of capital deepening and slow rate of growth of employment in the organised manufacturing sector, the importance of the knowledge of trends in wages and productivity cannot be over emphasized. This report, it is hoped, would provide some useful information in this regard.

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## C O N T E N T S

	<u>Page</u>
Chapter 1 : Introduction	51
Chapter 2 : Growth of employment in the registered sector	3
Chapter 3 : Trends in emoluments, wages and earnings	6
Chapter 4 : Trends in labour productivity	14
Chapter 5 : Share of wages in value added	18
Chapter 6 : Intra-regional trends	22
Chapter 7 : Inter-regional differentials	44
Chapter 8 : Differentials in wages - An inter-sectoral comparison	60
Chapter 9 : Summary	72
Appendix I : Concepts and definitions	75
Appendix II : Conceptual differences in labour Bureau and ASI estimates of employment	78
Appendix III : Tables (A.1.0) to Table (A.1.6) : Number of factories, workers and employees in the registered factory sector during 1960 to 1976 for All India and selected States.	80
Tables (A.2.0) to (A.2.6) and (A.3.0) to (A.3.6) : Principal characteristics for All India and selected States during 1960 to 1976.	
Appendix IV : Table (B.1) : Estimates of annual wages of agricultural labour households and all rural labour households in 1964-65 for the six selected States and All India	103
Table (B.2) : Estimates of annual wages of the rural weaker section in 1970-71 for the six selected States and All India.	
Table (B.3) : Estimates of annual wages of agricultural labour households and all rural labour households in 1974-75 for the six selected States and All India.	

## CHAPTER 1 INTRODUCTION

1.1 The present study examines trends in wages, labour productivity and share of wages in value added in the registered manufacturing sector. The wage differentials in six States important from the point of view of industrialisation are also studied. A comparative study of the characteristics in the census and sample sector<sup>1</sup> is made. Unlike the organised sector, there are no regular data series for the unorganised sector. The analysis of wage differentials between the registered and the unorganised manufacturing sector is therefore, presented for the time periods for which data are available. Finally, the study also brings to focus the differentials in the prevailing wages in the industrial sector with that of rural labour for a few States.

1.2 The time series data for the years 1960 to 1976 used for this analysis in respect of organised industrial sector have been obtained from the results of the Annual Survey of Industries (ASI), which is being carried out every year (except 1972) with uniform concepts and definitions. The results for each year are obtained separately for census and the sample sectors, as also for the combined factory sector. This study is based on the data for all industries taken together in manufacturing, electricity and gas excluding water supply, sanitary services, recreational and personal services. The inter-regional analysis is done for the six States of Bihar, Gujarat, Maharashtra, Tamil Nadu, Uttar Pradesh and West Bengal comprising the top six States contributing in all, about 70 per cent to the value added. It is intended to examine the trends in wages, productivity and share of wages in value added for 20 major groups of

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The registered factory sector comprises the factories registered under the sections 2n(i) and 2n(ii) of the Indian Factories Act, 1948. The factory sector is divided into census and sample sectors, the latter comprising of the factories employing 10-49 workers and using power and those employing 20-99 workers but not using power, the former comprising those factories employing 50 and more workers with power and those employing 100 and more without power.

industries comparable over time, as also important from the point of view of contribution to value added in a subsequent bulletin.

1.3 For purpose of comparative study on trends in wages and labour productivity, the time series data on value added and wages had to be converted to constant prices<sup>2/</sup>. The time series relating to value added were deflated by the Wholesale Price Index for all commodities with 1961-62 as 100. It may be mentioned that the indices for 1960-61 were taken with 1952-53 as 100 and then shifted to the base 1961-62.

1.4 The time series relating to wages or emoluments were deflated by the Consumer Price Index (General) for industrial workers with base 1960 after shifting the base to 1961 to have comparability with value added at constant prices. In case of the States the Consumer Price Indices of the appropriate centres\* were used.

1.5 As limitations to the present study, it may be observed that to the extent the data thrown up by ASI are aggregative in the sense that separate break-downs by sex, age or skill are not available, the analysis portrays only the average picture. Further, the aggregative analysis of productivity at 'all industries' level undertaken in this study ignores the inter-industrial composition of value added, the inter-industrial differences in capacity utilization and the effect due to specific policies like capital subsidisation, incentives for backward areas etc.

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2/ Because of the varying accounting years of the factories within the reference year, the ASI data do not necessarily relate to a fixed twelve month period. Neither the calendar year nor the financial year deflator may therefore, be the most appropriate one. However, an exercise done on ASI-67 data revealed that for majority of factories, the accounting year closed on 31st December or before. The calendar year deflators are therefore, uniformly used for the period 1960-76 for the purpose of arriving at the estimates of value added and wages at constant prices.

The Consumer Price Indices for the centres of Jamshedpur, Ahmedabad, Bombay, Madras, Kanpur and Calcutta were taken respectively for the States of Bihar, Gujarat, Maharashtra, Tamil Nadu, Uttar Pradesh and West Bengal.

CHAPTER 2

GROWTH IN NUMBER OF THE FACTORIES AND EMPLOYMENT IN  
THE REGISTERED SECTOR

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2.1 In 1976 there were 81106 factories in the registered sector comprising the census and sample sectors against 40154 factories in 1960. The registered factory sector was employing 5.2 million workers and 1.4 million employees other than workers in 1976 against 3.2 million workers and 0.4 million employees other than workers in 1960 in all manufacturing industries. Table (A.1.0) of Appendix III.

2.2 The census sector which had only 22 percent of factories in 1976, accounted for 84 percent of the employees of the registered sector. The rate of increase in number of factories in the census sector was more than in the sample sector.

2.3 The average annual rate of increase in the 'workers' during the period was 3 percent against a distinctively high 8.2 percent for 'employees other than workers'. The latter comprising the supervisory staff, technicians, managerial and clerical staff etc., it may be noted, no longer formed a small fraction; from 12 percent of the total employment in 1960, it had shot up to 22 percent in 1976.

2.4 We can divide the period into the four sub-periods 1960-63, 1964-67, 1968-71, 1975-76 each of which is marked by distinctive characteristics of its own, as will be revealed from cols. 2 to 4 of Table (A.1.0) of Appendix III presenting different economic indicators. The first sub-period recorded a 9.1 percent rate of increase per annum on the average in industrial production with an increase of 1.4 percent in per capita national income, the consumer prices restricted to a 3.2 percent increase.

In contrast, the second sub-period was accompanied by an inflationary trend with 11.8 percent increase in consumer prices and reflected a substantially lower rate of industrial production (4.2 percent). During the third period the consumer prices showed an abrupt downfall (2.6 percent) accompanied by a moderately good rate of increase (6.0 percent) in the industrial production. The fourth sub-period again registered a high inflationary trend of 10.0 percent, the rate of industrial production again falling back to 4.8 percent. The average annual rates of change in different characteristics are shown in Table (1) for these sub-periods.

2.5 The trend in the different characteristics for the factory sector revealed that the rate of growth in number of factories was 4.5 percent during the first and third sub-periods and 6.3 percent in the fourth and only 2.6 percent in the second. The rate of growth in the number of workers has come down from 4.4 percent for the first sub-period to 3.5 percent in the last sub-period. The number of 'employees other than workers' grew at a substantially higher rate (8.2 percent) than the 'workers' (3.0 percent), the most significant growth being observed during the period 1963-67. The rate of growth of total number of employees declined to 4.1 percent for the last sub-period compared to 4.8 percent during the first sub-period.

2.6 It may be observed that the average rate of growth of employment in the census sector declined during the entire period. In contrast, however, the rate of growth of employment in the sample sector, though initially slow up to 1971, experienced a very high rate of increase of 8.6 percent during the period 1971-76, due to the emphasis laid on the smaller units in the seventies through governmental measures.

TABLE (1): AVERAGE ANNUAL RATES OF CHANGE (PERCENT) IN NUMBER OF FACTORIES AND EMPLOYEES IN THE REGISTERED FACTORY SECTOR DURING SUB-PERIODS 1960-63, 1963-67, 1967-71 and 1971-76.

ALL INDUSTRIES		ALL INDIA		
Item	Year	Census sector	Sample sector	Factory sector
(1)	(2)	(3)	(4)	(5)
1. number of factories	1960-63	6.3	3.9	4.5
	1963-67	5.2	2.0	2.6
	1967-71	7.6	3.9	4.5
	1971-76	2.5	7.7	6.3
	1960-76	5.2	4.6	4.6
2. number of workers	1960-63	5.5	0.3	4.4
	1963-67	2.0	-1.0	1.4
	1967-71	3.3	2.3	3.1
	1971-76	2.6	8.3	3.5
	1960-76	3.2	3.0	3.0
3. number of employees other than workers	1960-63	9.8	2.9	8.2
	1963-67	12.9	12.7	12.7
	1967-71	6.9	1.2	5.7
	1971-76	6.0	10.2	6.7
	1960-76	8.7	7.2	8.2
4. number of employees	1960-63	5.9	0.6	4.8
	1963-67	3.4	1.3	3.0
	1967-71	4.0	2.0	3.6
	1971-76	3.3	8.6	4.1
	1960-76	4.0	3.6	3.8



CHAPTER 3

TRENDS IN EMOLUMENTS, WAGES AND EARNINGS

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3.1 From the definitions provided in Appendix I it would be seen that the 'emoluments' relate to the employees and the 'wages' to the 'workers'. The wages include all payments made to workers in cash like basic wages, dearness allowance, overtime payments, shift allowance, leave wages, bonuses etc. but do not include the money value of benefits in kind. The 'emoluments' on the other hand, include the money value of the benefits for workers and other employees together besides the wages and salaries and other cash allowances. If we ignore terminal benefits in the form of employer's contribution to provident fund, pension, gratuity and similar other charges, a measure of earnings is obtained for the employees as a whole through the ratio annual emoluments per employee. To the extent the wages are exclusive of benefits in kind, the ratio annual wage per worker underestimates the real earnings of a worker.

3.2 It will be of interest, however, to examine the trend in the earnings of the workers. Direct estimates are not available. However, for the years 1960 to 1966 the ASI results give the money value of benefits for the combined group of 'workers' and 'employees other than workers' as also the information on the total wages and salaries paid to all employees. Allocating to workers in the ratio of wages (to workers) to total wages and salaries (paid to all employees) the estimate of benefits paid to workers was obtained for each of the year 1960 to 1966. This was added to the wages to arrive at the earnings for each year.

3.3 From 1967 onwards while we have the information on wages paid to workers, the money value of benefits in kind and the information on wages and salaries paid to employees were not available for any year. Using the linear regression<sup>3/</sup>, obtained from the data of 1960-66 between the "percentage of workers to all employees" (x) and "percentage of wages to workers to total wages and salaries paid to all employees" (y), the estimate of percentage of wages and salaries was obtained for each year. This gave the estimates of total wages and salaries paid to all employees which when subtracted from the emoluments yielded the estimates of money value of benefits to all employees. Allocating again, in the ratio of wages to workers to total wages and salaries, the time series of benefits to workers was obtained<sup>4/</sup> for the registered sector as a whole.

3.4 Table (2.1) presents the total emoluments and wages for the different years. The money value of benefits (arrived at by following the approximate procedures) as percentage of wages is also given. The annual emoluments per employee, wages and earnings per worker and their indices with 1961=100 are presented. The benefits in kind to workers fluctuated from 3 to 10 percent of the wages to workers over the time period. A comparison of the indices of the wages and

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$$\frac{3}{y} = -35.81 + 1.2811 x \quad (R^2 = 0.98)$$

4/ B.K. Madan in his book "The real wages of industrial labour in India" page 11, footnote to Table 1, used the ratio of wages to total wages and salaries for the year 1966 for estimating the total wages and salaries for the year 1967 to 1970 without however, examining the clear declining trend in the ratios for the year 1960-66. Further, in Table 2, page 16, Madan's figures "Average earnings per worker" perhaps relate, in fact, to the "wages" and not "earnings" including the benefits.

TABLE (2.1): ANNUAL EMOLUMENTS PER EMPLOYEE AND ANNUAL WAGES AND EARNINGS PER WORKER AT CURRENT PRICES DURING 1960-76: FACTORY SECTOR

ALL INDUSTRIES

ALL INDIA

Year	total emolu- ments paid to employ- ees	total wages paid to workers	estima- ted %age of benefits in kind to wages <sup>1/</sup>	per em- ployee annual emolu- ments <sup>2/</sup>	per worker annual wages	per worker annual earnings	Index (1961 = 100)		
	(Rs. crores)	(Rs. crores)	(%)	(Rs.)	(Rs.)	(Rs.)	annual emoluments per em- ployee	annual wages per worker	annual earnings per worker
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1960	539	387	8.31	1479	1200	1300	92.44	92.02	92.20
1961	597	435	8.14	1600	1304	1410	100.00	100.00	100.00
1962	694	494	8.24	1731	1400	1516	108.19	107.36	107.52
1963	774	542	8.60	1845	1476	1603	115.31	113.19	113.69
1964	906	605	9.35	2002	1562	1708	125.12	119.79	121.13
1965	979	679	2.62	2091	1735	1781	130.69	135.05	126.31
1966	1093	743	2.96	2301	1897	1953	143.81	145.48	138.51
1967	1203	812	3.26	2551	2091	2159	159.44	160.35	155.12
1968	1355	879	5.72	2808	2224	2351	175.50	170.55	166.74
1969	1478	967	4.97	2938	2357	2474	183.62	180.75	175.46
1970	1674	1080	8.15	3209	2553	2695	200.56	195.78	191.13
1971	1882	1211	5.26	3468	2762	2907	216.75	211.31	206.17
1973	2495	1565	6.44	4294	3364	3581	268.37	257.98	255.97
1974	3048	1820	9.96	5077	3827	4208	317.31	293.48	298.44
1975	3459	2146	3.97	5429	4301	4472	339.31	329.83	317.16
1976	3632	2267	2.98	5170	4357	4488	341.87	331.13	318.30

1/ The estimates of benefits in kind paid to workers are not directly available from ASI data and hence approximate procedures are adopted separately for 1960-66 and 1967-75, as explained in the text.

2/ Based on data collected in Part II of ASI schedule, Labour Bureau (LB) publishes data on average earnings per man day worked in Indian Labour Year Book but owing to conceptual differences, no attempt is made to compare the results of LB with those obtained here. Refer appendix II for conceptual differences in the estimates of employment as obtained by LB and ASI. / to

earnings at current prices shows that by and large upto 1964 the two present the same picture. From 1965 onwards, the increase in the index relating to the earnings lagged behind that of wages till 1973. It is however, clear that the rate of increase of the emoluments per employee was more than that of earnings of the workers throughout the period.

3.5 Even though the wages and emoluments underestimate the actual earnings of the workers and employees respectively, in absence of tabulated time series data on the benefits in kind, terminal benefits etc., the present study is constrained to deal with the "annual wages per worker" and the "annual emoluments per employee", hereafter referred to merely as "wages" and "emoluments" respectively.

3.6 At current prices the wages in the factory sector increased from Rs.1200 to Rs.4357 during the period 1960 to 1976 whereas the emoluments increased from Rs.1479 to Rs.5470. It is therefore, evident that the rate of increase in the emoluments was a little more than that of wages. We now examine the differentials in wages and emoluments in the census and the sample sectors as also the movements of wages and emoluments in each of these sectors during the period under review. Table (2.2) shows that in the census sector the average wage at current prices increased from Rs.1325 in 1960 to Rs.4869 in 1976, whereas in the sample sector it increased from Rs.701 to Rs.2136 indicating a faster increase in the census sector. In absolute terms, in sixties, the wage in the census sector was a little less than twice of that in the sample sector. This differentials seemed to have increased in the later years. These trends were also observed in respect of the 'emoluments'. As between the wages and emoluments in the respective sectors the rate of increase in emoluments was more than the wages.

TABLE (2.2): WAGES AND EMOLUMENTS AT CURRENT PRICES  
DURING 1960-

Year	ALL INDUSTRIES		ALL INDIA			
	Census Sector		Sample Sector		Factory Sector	
	Wages (Rs.) (2)	Emoluments (Rs.) (3)	Wages (Rs.) (4)	Emoluments (Rs.) (5)	Wages (Rs.) (6)	Emoluments (Rs.) (7)
1960	1325	1656	701	784	1200	1479
1961	1413	1757	804	894	1304	1600
1962	1530	1922	813	889	1400	1731
1963	1608	2036	854	963	1476	1845
1964	1684	2185	908	1032	1562	2002
1965	1862	2265	984	1092	1735	2091
1966	2044	2499	1115	1274	1897	2301
1967	2261	2783	1187	1381	2091	2551
1968	2429	3105	1259	1435	2224	2808
1969	2564	3230	1353	1559	2357	2938
1970	2809	3549	1297	1591	2553	3209
1971	2988	3787	1497	1722	2762	3468
1973	3716	4770	1796	2176	3364	4294
1974	4237	5658	1929	2426	3827	5077
1975	4791	6103	2052	2466	4301	5429
1976	4869	6147	2136	2552	4357	5470

#### REAL WAGES AND EMOLUMENTS :

3.7 In order to examine whether there have been a significant improvement in wages and emoluments of workers and employees respectively, the data on wages and emoluments were deflated by the Index numbers of consumer prices for industrial workers. The real wages and the real emoluments are presented in Table (3.1) and their indices with 1961=100 shown in Table (3.2) for the census, sample and the combined factory sector:

3.8 In the factory sector an improvement will be noticed in real wages. However, whenever the consumer price increase were prominent, the real wages showed a downward trend. An improvement in real emoluments is also noticed during the period under review. Particular mention may be made of the decline in consumer price index in 1976 which was responsible for an abrupt increase in real wages as well as real emoluments. By and large, the index for emoluments was higher than that of wages (Table (3.2)). Thus the real earnings of the "employees other than workers" showed more improvement than that of the workers.

3.9 In absolute terms, the differentials in both the real wages and real emoluments between the census sector and the sample sector were very wide throughout the period. As regards the movement of the real wages, it will be observed to increase by 21 percent over the 1961 wages in the census sector, while it registered a 7 percent decline in the sample sector. In fact, the differentials increased over time. Whereas in 1960 the real wage in the sample sector (Rs.732) formed 53 percent of that in the census sector (Rs.1379), it was only 44 percent in 1976. The emoluments in the sample sector in 1976 in real terms were the same as in 1961, whereas in the census sector the same increased by 23 percent.

TABLE (3.1): WAGES AND EMOLUMENTS DURING 1960-76 AT 1961 PRICES

Year	ALL INDUSTRIES		ALL INDIA			
	Census sector		Sample sector		Factory sector	
	Wages (Rs.)	Emoluments (%)	Wages (Rs.)	Emoluments (%)	Wages (Rs.)	Emoluments (%)
1960	1379	1725	752	811	1250	1540
1961	1413	1757	804	894	1304	1600
1962	1485	1863	781	862	1261	1681
1963	1516	1920	807	909	1392	1740
1964	1404	1822	759	853	1305	1668
1965	1411	1716	738	833	1313	1585
1966	1410	1723	775	884	1307	1587
1967	1371	1688	715	831	1267	1546
1968	1429	1827	738	840	1308	1652
1969	1526	1922	797	876	1404	1749
1970	1587	2004	739	895	1444	1814
1971	1632	2070	823	938	1510	1895
1973	1637	2102	786	957	1481	1891
1974	1450	1937	662	833	1310	1739
1975	1550	1974	661	797	1391	1756
1976	1710	2160	749	896	1532	1922

TABLE (B.2) : INDICES OF REAL WAGES AND EMOUMENTS

Year	ALL INDUSTRIES		ALL INDIA			
	Census Sector (Index 1961 = 100)		Sample sector (Index 1961 = 100)		Factory sector (Index 1961 = 100)	
	Real Wage	Real Emolu- ments	Real Wage	Real Emolu- ments	Real Wage	Real Emolu- ments
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1960	97.59	98.18	91.04	90.72	95.86	96.25
1961	100.00	100.00	100.00	100.00	100.00	100.00
1962	105.10	106.03	97.14	96.42	104.37	105.06
1963	107.29	109.28	100.37	101.68	106.75	108.75
1964	99.36	103.70	94.40	93.41	99.92	104.25
1965	99.86	97.67	91.79	93.18	100.69	99.06
1966	99.79	98.06	96.39	98.88	100.23	99.19
1967	97.03	96.07	88.93	92.95	97.16	96.63
1968	101.13	103.98	91.79	93.96	100.31	103.25
1969	103.00	109.39	99.13	97.99	107.67	109.31
1970	112.31	114.06	91.92	100.11	110.74	113.38
1971	115.50	117.81	102.36	104.92	115.80	118.44
1973	115.85	119.64	97.76	107.05	113.57	118.19
1974	102.62	110.24	82.34	93.18	100.16	108.69
1975	109.70	112.55	82.21	89.15	106.67	109.75
1976	121.02	122.94	93.16	100.22	117.48	120.12



## CHAPTER 4

### TRENDS IN LABOUR PRODUCTIVITY

4.1 The labour productivity is defined as the net value added divided by the number of employees. The value added concept is more relevant for measuring productivity than the gross value of output since it yields a magnitude which is distributable among the factors-labour and capital within an industry. The net value added for each year has been obtained by deducting from output at current prices the inputs and depreciation at current prices. Table (4.1) presents the value added per employee at current prices and also at constant prices (1961-62), arrived at by deflating the current prices series by the indices of wholesale prices for all commodities.

4.2 It will be observed from Table (4.1) that at current prices value added per employee in factory sector increased from Rs.2761 in 1960 to Rs.10974 in 1976, the sharp increase in later years being mostly due to inflationary conditions. In real terms the labour productivity remained almost static during seventies, except for 1976 when it increased.

4.3 In the census sector the labour productivity was Rs.12139 in 1976 as compared to Rs.2975 in 1960. In real terms the labour productivity remained static during seventies except for an increase during 1976. In the sample sector although at current prices labour productivity increased from Rs.1919 to Rs.5952 during the period, if we adjust for price increase, the labour productivity in 1976 remained at the same level as that of 1960. Particular mention may be made to a decline in

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5/ It should however, be noted that this definition does not exclusively relate to labour efficiency because an increase in labour productivity may be at the same time due to increase in capital, technology or management. Refer "Report on trends on utilisation of labour and other inputs in selected industries", Labour Bureau, Ministry of Labour & Employment, and Sinha, J.N. and Sawhny, P.K.: "Wages and productivity in selected industries" (in the book, however, the concept of gross value added which is inclusive of depreciation is used).

TABLE(4.1) : VALUE ADDED PER EMPLOYEE AT  
CURRENT AND CONSTANT PRICES FOR  
CENSUS, SAMPLE AND FACTORY SECTORS:

Year	Value added per employee (Rs)					
	Census sector		Sample sector		Factory sector	
	current prices	1961-62 prices	current prices	1961-62 prices	current prices	1961-62 prices
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1960	2975	3037	1919	1959	2761	2818
1961	3239	3207	2214	2199	3052	3023
1962	3415	3283	2035	1954	3160	3037
1963	3756	3477	2193	2032	3477	3220
1964	3960	3328	<del>2711</del>	1939	<del>3695</del> 3695	3105
1965	4265	3307	2557	1983	4011	3110
1966	4601	3194	2822	1964	4313	2995
1967	4827	2908	2737	1650	4480	2699
1968	5209	3158	2777	1680	4777	2895
1969	5942	3516	3504	2070	5516	3264
1970	6516	3640	3757	2099	6037	3372
1971	6831	3674	3551	1912	6318	3397
1973	8706	3643	4353	1820	7907	3308
1974	11152	3666	5213	1787	10048	3305
1975	11104	3593	5212	1686	10013	3240
1976	12139	4033	5952	1976	10974	3646

the productivity during the periods 1963 to 1975 in this sector. Further, the gap between the census and sample sectors as regards labour productivity increased further during the period under review.

4.4. The relative movement of labour productivity in real terms for the census and the sample sectors can be examined from Table (4.2) where the real value added per employee in different years are expressed as indices with 1961 as 100.00. Relatively, the index for the sample sector always lagged behind that of the census sector. While the 1961 level of productivity was never reached during the period under review in the sample sector, the census sector reported a 26 percent increase.

TABLE (4.2): INDICES OF VALUE ADDED PER EMPLOYEE FOR CENSUS, SAMPLE AND FACTORY SECTORS:

Year	ALL INDUSTRIES			ALL INDIA		
	Indices (1961=100.00) of value added per employee					
	Census sector		Sample sector		Factory sector	
	current prices	1961-62 prices	current prices	1961-62 prices	current prices	1961-62 prices
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1960	91.85	94.70	86.68	89.09	90.47	93.22
1961	100.00	100.00	100.00	100.00	100.00	100.00
1962	105.43	102.37	91.92	88.86	103.54	100.46
1963	115.96	108.42	99.05	92.41	113.93	106.52
1964	122.26	103.77	104.38	88.18	121.07	102.71
1965	131.68	103.12	115.49	90.18	131.42	102.88
1966	142.05	99.59	127.46	89.31	141.32	99.07
1967	149.03	90.68	123.62	75.03	146.79	89.28
1968	160.82	98.47	125.43	76.40	156.52	95.77
1969	183.45	109.64	153.27	91.13	180.73	107.97
1970	201.17	113.50	169.69	95.45	197.80	111.54
1971	210.90	114.56	160.39	86.95	207.01	112.37
1973	268.79	115.60	196.61	82.76	259.08	109.43
1974	344.30	114.31	235.46	81.26	329.23	109.33
1975	342.82	112.04	235.41	76.67	328.08	107.18
1976	374.78	125.76	263.83	89.86	359.57	120.61

TRENDS IN WAGES, PRICES AND PRODUCTIVITY :

4.5 It will be observed from Table (4.3) that wage level tends to follow the price trend when the latter shows higher rate of increase (for example from 1966-67 to 1968-69). The overall trend is that the wage level more or less follows the productivity movement. This is quite obvious when it is observed that the movement of wages was nearer that of productivity during the seventies and also the rate of increase in productivity was much higher than that of prices.

Table (4.3): INDICES OF WAGES AND LABOUR PRODUCTIVITY AT CURRENT PRICES AND CONSUMER PRICES

Year	Indices (1961 = 100.0)		
	Consumer Price Index for Industrial workers	Wages at current prices	Value added per employce at current prices.
(1)	(2)	(3)	(4)
1960	96.2	92.0	90.5
1961	100.0	100.0	100.0
1962	102.9	107.1	103.5
1963	105.8	113.2	115.9
1964	120.2	119.8	121.1
1965	131.7	133.1	131.4
1966	145.2	145.5	141.3
1967	165.4	160.4	146.8
1968	170.2	170.6	156.5
1969	168.3	180.8	180.7
1970	176.9	195.8	197.8
1971	182.7	211.8	207.0
1973	226.9	258.0	259.1
1974	292.3	293.5	329.2
1975	308.7	329.8	328.1
1976	284.6	334.1	359.6

## CHAPTER 5

### SHARE OF WAGES IN VALUE ADDED

5.1 Table (5.1) presents separately the percentage shares of wages and emoluments respectively in value added, for the census sector, the sample sector and the combined factory sector. It is observed that in the factory sector the share of wages in value added had an average value of 36 percent. This proportion registered a decline from 38 percent in 1960 to 31 percent in 1976, the decline being unmistakably marked in seventies. The census sector which obviously determines the results for the combined factory sector, shows the same trend around an average of 36 percent. In the sample sector, the share of wages in value added was less, the average being 32 percent. A decline particularly during the later years will be noticed, though the gap between two categories of the units would seem to narrow down.

### SHARE OF EMOLUMENTS IN VALUE ADDED

5.2 If now we consider the "employees" and not merely the "workers", the share of total earnings of the employees i.e the 'emoluments' in value added will be seen to decline for the years from 54 percent in 1960 to 50 percent in 1976 in the factory sector, the average being 54 percent. The census sector reported a higher average of 55 percent as compared to 45 percent in the sample sector, although whereas in the former a decline is noticed, the proportion would appear to increase over the years in the latter.

5.3 It will be of interest now to compare the proportion of employees' earnings to value added in Indian manufacturing with the corresponding proportions as obtaining in the manufacturing sectors of other countries. The United Nations

(5.1) SHARE OF WAGES IN VALUE ADDED AND THAT OF ENROLMENTS IN VALUE ADDED FOR CENSUS, SAMPLE AND FACTORY SECTOR.

Year	ALL INDUSTRIES		ALL INDI.			
	Census sector		Sample sector		Factory sector	
	percentage share of		percentage share of		percentage share of	
	wages in value added	enrolments in value added	wages in value added	enrolments in value added	wages in value added	enrolments in value added
1960	39.58	55.67	31.69	40.85	38.47	53.58
1961	38.17	54.25	31.79	40.40	38.19	52.41
1962	39.61	56.27	34.44	43.71	38.99	54.78
1963	37.61	54.21	33.54	43.90	37.15	53.05
1964	36.44	55.19	32.74	44.64	36.06	54.19
1965	36.65	53.12	31.46	42.70	36.16	52.13
1966	36.79	54.31	31.80	45.16	36.26	53.34
1967	37.92	57.66	34.11	50.47	38.43	56.93
1968	38.32	59.60	36.55	51.68	38.13	58.79
1969	35.35	54.36	30.34	44.48	34.85	53.26
1970	35.14	54.47	27.55	42.55	34.30	53.16
1971	35.46	55.43	33.44	48.49	35.33	54.90
1973	34.19	54.79	32.97	50.00	34.07	54.31
1974	30.20	50.77	27.32	44.71	29.87	50.19
1975	34.06	54.96	29.76	47.32	33.64	54.22
1976	31.47	50.63	27.96	42.88	31.11	49.84
average	36.18	54.23	32.70	45.20	35.69	53.69

collect internationally comparable annual statistics on industrial activities through questionnaires to different countries which inter alia seek to obtain the "wages and salaries" and "value added" of the employees. The definition of 'wages and salaries' more or less is parallel to the "emoluments" as defined earlier. Table (5.2) presents the comparative picture based on 14 selected countries for the years 1971, 1973, 1974 and 1975. It will be observed that the proportion of emoluments to value added in India is one of the highest among both the developing countries and the industrially advanced countries. In respect of the latter, however, a lower proportion only indicates increased role of capital intensity as compared to Indian manufacturing. Vis-a-vis the developing countries like Indonesia, Bangladesh and Kenya, where expectedly the capital intensity is not more than in Indian manufacturing, the employees in Indian manufacturing sector enjoy definite higher earnings when taken in proportion to value added by manufacture.

TABLE(5.2): PERCENTAGE OF WAGES & SALARIES OF EMPLOYEES TO THE VALUE ADDED IN THE MANUFACTURING SECTOR FOR SELECTED COUNTRIES.

Country	Years			
	1971	1973	1974	1975
1. Australia	--	54.29	54.53	56.01
2. Bangladesh	35.11	37.28	31.54	34.35
3. Canada	52.32	49.46	46.53	49.49
4. Egypt	50.28	50.40 <sup>2/</sup>	-	-
5. Federal Republic of Germany	44.30	45.44	46.19	46.47
6. India	54.90	54.31	50.19	54.22
7. Indonesia	22.91	18.46	-	22.90
8. Japan	34.48	33.66	35.37	40.57
9. Kenya	49.41	33.78	42.84	40.47
10. Republic of Korea	23.29	24.75	24.17	23.04
11. Sweden	52.57	47.65	43.75	46.72
12. United Kingdom	53.04	48.43	48.37	52.15
13. United States	45.81	43.99	42.12	43.07
14. Yugoslavia <sup>1/</sup>	37.82	36.76	34.73	35.61

<sup>1/</sup> refers to 1972

<sup>2/</sup> Wages & Salaries exclude social insurance contribution.

Source: Year Book of Industrial Statistics 1976 edition, Vol.I, United Nations.



## CHAPTER 6

### INTRA - REGIONAL TRENDS

6.1 Six industrialised States of Bihar, Gujarat, Maharashtra, Tamil Nadu, Uttar Pradesh and West Bengal are taken up for the intra-regional analysis of the trends in wages and productivity. It is considered useful to analyse the growth in number of factories and employment in each State before we take up the analysis.

6.2 The time series data relating to the number of factories, number of 'workers', 'employees other than workers' and employees for all manufacturing industries combined are presented in Table (A.1.1.) to (A.1.6) of Appendix III. From this data, the yearly changes in the four characteristics were obtained and average annual rates of change arrived at for the four sub-periods viz., 1960-63, 1963-67, 1967-71, 1971-76. These are summarised in Tables (6.1.1) to (6.1.6).

6.3 BIHAR: During the period 1960-76 in the factory sector, the number of factories increased at an average annual rate of 6.4 per cent, the increase from the mid-sixties onwards being particularly marked. The employment in the registered factory sector grew on average about 4 per cent per annum, though initially the rate was as high as 5.86 per cent. The increase in the employment thus lagged behind the increase in the number of factories, although the 'employees other than workers' registered a 5.86 per cent growth rate. This along with the fact that the rate of absorption of 'workers' slowed down indicates capital deepening during the period.

TABLE (6.1.1): AVERAGE ANNUAL RATES OF CHANGE (PER CENT) IN NUMBER OF FACTORIES AND EMPLOYEES IN THE REGISTERED FACTORY SECTOR DURING THE SUB-PERIODS 1960-63, 1963-67, 1967-71 and 1971-76

Item	Year	BIHAR		
		Census sector	Sample sector	Factory sector
(1)	(2)	(3)	(4)	(5)
1. number of factories	1960-63	8.5	0.3	1.5
	1963-67	5.9	7.1	6.9
	1967-71	11.5	5.3	6.4
	1971-76	3.9	10.8	8.8
	1960-76	7.2	6.5	6.4
2. number of workers	1960-63	6.5	6.1	6.4
	1963-67	1.1 (-)	0.3	0.9
	1967-71	3.8	2.6	3.5
	1971-76	3.7	6.7	3.9
	1960-76	3.6	3.8	3.5
3. number of employees other than workers	1960-63	2.3	13.4	3.0
	1963-67	7.0 (-)	1.3	5.9
	1967-71	4.6	11.7	5.1
	1971-76	7.9	11.1	8.1
	1963-76	5.8	8.6	5.9
4. number of employees	1960-63	5.7	6.4	5.8
	1963-67	2.2 (-)	0.6	1.8
	1967-71	3.9	3.9	3.8
	1971-76	4.7	7.3	4.8
	1960-76	4.1	4.3	4.0

6.4 The differentials in respect of these characteristics between the census sector factories and the sample sector factories will now be examined. On an average, the two sectors differ only marginally in the growth of factories wherever an increase, the sample sector showed but in census showed a decrease and vice-versa. The employment grew almost at the same rate in both the sectors, though in the last sub-period (1971-76) the rate of increase in the sample sector was much more than that in the census sector. Among the employees, the increase in 'employees other than workers' was much more marked in sample sector than in the census sector except for the second sub-period, while the increase in the number of workers was almost at par in both the sectors. However, the average rate of increase during the seventies in number of 'workers' in sample sector was twice that in the census sector.

6.5 GUJARAT: An annual 6.7 per cent rate of increase was observed in the number of factories in the factory sector, Except for a fall in the second sub-period, the growth rate showed an increase, particularly in the seventies. The increase in employment on the average was 3.3 per cent, though here too, the trend of increase in later years is evident. The growth in number of 'employees other than workers' was found to be 7.3 per cent as compared to only 2.7 per cent in case of workers. Throughout the period, the growth in employment lagged behind factories and the rate of increase in the 'employees other than

TABLE (6.1.2): AVERAGE ANNUAL RATES OF CHANGE (PERCENT) IN NUMBER OF FACTORIES, AND EMPLOYEES IN THE REGISTERED FACTORY SECTOR DURING THE SUB-PERIODS 1960-63, 1964-67, 1967-71 AND 1971-76.

ALL INDUSTRIES		GUJARAT		
Item	Year	Census Sector	Sample Sector	Factory Sector
(1)	(2)	(3)	(4)	(5)
1. number of factories	1960-63	9.4	4.9	5.6
	1963-67	3.3	3.9	3.4
	1967-71	7.2	7.8	7.3
	1971-76	4.7	10.6	9.2
	1960-76	5.8	7.2	6.7
2. number of workers	1960-63	2.8	1.8	2.6
	1963-67	0.4	1.8	0.6
	1967-71	3.4	5.8	3.7
	1971-76	3.2	5.5	3.6
	1960-76	2.5	3.9	2.7
3. number of employees other than workers	1960-63	6.3	8.6	6.8
	1963-67	9.8	9.3	9.6
	1967-71	5.8	7.2	6.0
	1971-76	6.9	7.2	6.9
	1960-76	7.2	8.0	7.5
4. number of employees	1960-63	3.2	2.7	3.0
	1963-67	1.6	3.0	1.8
	1967-71	3.7	6.0	4.1
	1971-76	3.8	5.8	4.2
	1960-76	3.1	4.6	3.3

workers' was observed to be more than that in the number of workers indicating capital deepening which took place.

6.6 It may, however, be observed that the growth in the number of factories and employment was much more in the sample sector than in the census sector, particularly so during the seventies in case of former when in fact, the census sector registered a decline and during the third sub-period in case of latter. As regards the supervisory, technical workers, the growth was the same in sample and the census sectors, a rise particularly marked in the second sub-period in both the sectors. The rate of increase in the number of workers in the sample sector was more than the census sector through out the period except for the first sub-period. It would seem, therefore, that growth trends in sample sector were more pronounced during the period under review.

MAHARASHTRA: In this state only a 3.6 per cent rate of growth in the number of factories on an average was observed in the factory sector although the increase became particularly sharp during the third and fourth sub-periods. The rate of increase in employment, too, was only 2.7 per cent, exhibiting the same trend as that of the number of factories. The initial high rate of increase in 'employees other than workers' slumped during the later period. Even, so, on an average the employees of this category i.e. the supervisory, technical staff etc. increased at a rate of about 11 per cent against only 1.5 per cent for 'workers'. The absorption of

TABLE (6.1.3): AVERAGE ANNUAL RATES OF CHANGE (PER CENT)  
IN NUMBER OF FACTORIES AND EMPLOYEES IN THE  
REGISTERED FACTORY SECTOR DURING THE SUB-  
PERIODS 1960-63, 1963-67, 1967-71 AND 1971-76

Items	Year	MAHARASHTRA		
		Census sector	Sample sector	Factory sector
(1)	(2)	(3)	(4)	(5)
1. number of factories	1960-63	7.8	(-) 0.4	1.4
	1963-67	4.6	1.1	1.8
	1967-71	9.4	3.6	5.0
	1971-76	11.9	8.5	5.4
	1960-76	4.4	3.8	3.6
2. number of workers	1960-63	2.9	(-) 8.1	0.6
	1963-67	0.8	(-) 1.4	(-) 1.1
	1967-71	3.9	2.1	3.5
	1971-76	1.3	9.3	2.4
	1960-76	1.7	1.5	1.5
3. number of employees other than workers	1960-63	6.8	6.8	8.3
	1963-67	24.8	25.1	24.5
	1967-71	7.3	(-) 3.3	5.1
	1971-76	5.3	12.0	6.2
	1960-76	11.3	10.5	10.9
4. number of employees	1960-63	3.3	(-) 6.8	1.3
	1963-67	2.1	2.8	2.0
	1967-71	4.6	0.6	3.8
	1971-76	2.2	9.8	3.3
	1960-76	3.0	2.6	2.7

'workers' being very low and the growth in number of factories being not as high as in other industrialised States, a very high growth rate of technical workers suggests capital deployment in the existing factories.

6.8 As between the sample and census sectors, the growth in the number of factories in the census sector was more than the sample sector except for the last sub-period when the trend was reversed. The rate of increase in employment fluctuated more in the sample sector, although a decrease was observed in case of the census sector as compared to the former. Even so, the two sectors differed only marginally when the entire period is considered. In this State also, the rate of increase in the number of 'employees other than workers' was quite high in both the sectors, particularly during the second sub-period when in fact, a decline occurred in the number of 'workers'. On an average the differential between the increase in number of 'workers' and 'employees other than workers' is quite perceptible for both the sectors which do not differ much in this respect.

6.9 TAMIL NADU: In the factory sector the number of factories increased on an average 3 per cent annually over the entire period 1960-76, the overall growth in employment during this period being 5 per cent, contrary to the behaviour exhibited in respect of other States. Nevertheless, although this was true for the first three sub-periods, in the last sub-period the rate of increase in employees was considerably less than the rate of increase in the number of factories.

TABLE (6.1.4): AVERAGE ANNUAL RATES OF CHANGE (PER CENT)  
IN NUMBER OF FACTORIES AND EMPLOYEES IN THE  
REGISTERED FACTORY SECTOR DURING THE SUB-  
PERIODS 1960-63, 1963-67, 1967-71 AND 1971-76

Item	Year	TAMIL NADU		
		Census sector	Sample sector	Factory sector
(1)	(2)	(3)	(4)	(5)
1. number of factories	1960-63	7.7	3.0	3.6
	1963-67	6.8	(-) 2.9	(-) 1.6
	1967-71	7.8	0.9	2.1
	1971-76	15.3	5.6	7.0
	1960-76	9.9	1.8	3.0
2. number of workers	1960-63	7.9	(-) 2.3	4.9
	1963-67	7.7	(-) 2.3	5.4
	1967-71	5.5	7.4	5.4
	1971-76	2.8	3.9	2.5
	<del>1960-76</del>	5.7	2.0	4.4
3. number of employees other than workers	1960-63	11.8	7.2	9.5
	1963-67	30.4	16.1	25.3
	1967-71	6.2	(-) 0.6	4.3
	1971-76	6.2	6.2	5.6
	1960-76	13.3	7.2	10.9
4. number of employees	1960-63	8.2	(-) 1.5	5.2
	1963-67	10.3	0.8	7.9
	1967-71	5.7	5.4	5.2
	1971-76	3.4	3.1	3.0
	1960-76	6.6	2.2	5.2



6.10 A much larger growth was observed in case of the census sector (9.9 per cent) in the number of factories as compared to the sample sector (1.8 per cent), though in both the cases it is the fourth sub period which showed a much higher increase compared to the other three sub periods. In respect of employment again, the census sector reported a much higher rate of increase (6.6 per cent) as compared to the sample sector (2.2 per cent) and this differential was due to the very high differentials existing in the first two sub-periods. The census sector again, reported a much higher growth in both the number of 'employees other than workers' and the 'workers'. It may though be mentioned that in the later years there was a convincing trend in a higher rate of increase in the number of 'workers' in the sample sector as compared to the census sector.

6.11 UTTAR PRADESH: In this State the overall growth rate in number of factories was 6.7 per cent in the factory sector, with a considerable increase in the fourth sub-period. Employment grew at a rate of 5 per cent for the entire period, though in the last sub period it was as much as 8 per cent. Among the employees, an increasing trend will be observed in the number of 'employees other than workers', a very high rate of 12.6 per cent being recorded for the last sub period. As regards the 'workers', the average rate of increase during the period was 4.4 per cent, the maximum being recorded as 7 per cent for the last period.

TABLE (6,1.5): AVERAGE ANNUAL RATES OF CHANGE (PERCENT)  
IN NUMBER OF FACTORIES AND EMPLOYEES IN THE  
REGISTERED FACTORY SECTOR DURING THE SUB-  
PERIODS 1960-63, 1963-67, 1967-71 AND 1971-76

ALL INDUSTRIES		UTTAR PRADESH		
Item	Year	Census sector	Sample sector	Factory sector
(1)	(2)	(3)	(4)	(5)
1. number of factories	1960-63	8.9	6.6	7.1
	1963-67	2.8	6.2	5.3
	1967-71	6.7	4.4	4.7
	1971-76	7.5	9.5	9.0
	1960-76	6.4	6.9	6.7
2. number of workers	1960-63	5.4	3.2	5.1
	1963-67	(-)1.0	7.6	0.3
	1967-71	5.5	2.0	4.8
	1971-76	6.2	13.6	7.0
	1960-76	4.1	7.2	4.4
3. number of employees other than workers	1960-63	5.4	1.3	4.4
	1963-67	5.6	14.7	8.2
	1967-71	8.7	6.3	8.2
	1971-76	12.1	41.7	12.6
	1960-76	8.4	18.2	8.6
4. number of employees	1960-63	5.4	2.7	4.9
	1963-67	(-)0.2	8.4	1.2
	1967-71	6.0	2.7	5.3
	1971-76	7.1	16.7	7.9
	1960-76	4.7	8.5	5.0

6.12 The number of factories grew almost at the same rate in both the sectors for the entire period but the growth differed considerably in the sub-periods. It will be further observed that the rate of increase in employment in the sample sector (8.5 per cent) was much more than the census sector (4.7 per cent), this increase being particularly due to the differential existing in the second and fourth sub-periods. Among the employees, the increase in the number of 'employees other than workers' was considerable during the entire period in both the sectors but the increase in the sample sector was phenomenal (18.2 per cent), that in the fourth sub-period for this sector being 41 per cent. As regards the 'workers' also, the rate of increase in the sample sector was higher than that of the census sector and this again, due to considerable increase in the fourth sub-period. Except for the first sub-period, the increase in the number of employees other than workers was always greater than the increase in number of workers in both the sectors.

6.13 WEST BENGAL: Contrary to the increasing trend in the other states, a declining trend will be noticed in the rate of increase in both in the number of factories as well as the employment in the factory sector, the decline in the third and fourth sub-periods being particularly marked. Because of the initially high rates of increase, the average annual rate of increase during the 1960-76 was 3.2 per cent in the case of number of factories and 1.2 percent in the case of employment.

TABLE (6.1.6): AVERAGE ANNUAL RATES OF CHANGE (PERCENT)  
IN NUMBER OF FACTORIES AND EMPLOYEES IN  
REGISTERED FACTORY SECTOR DURING THE SUB-  
PERIODS 1960-63, 1963-67, 1967-71 & 1971-76

Item	Year	WEST BENGAL		
		Census sector	Sample sector	Factory sector
(1)	(2)	(3)	(4)	(5)
1. number of factories	1960-63	6.7	6.7	6.7
	1963-67	4.6	6.0	5.3
	1967-71	0.6	1.8	1.0
	1971-76	-3.5	3.3	1.2
	1960-76	1.5	4.2	3.2
2. number of workers	1960-63	5.9	7.8	6.0
	1963-67	0.1	(-) 1.8	(-) 0.1
	1967-71	-0.9	(-) 1.5	(-) 1.1
	1971-76	-0.7	3.5	(-) 0.4
	1960-76	0.7	1.7	0.7
3. number of employees other than workers	1960-63	7.8	11.4	5.3
	1963-67	6.8	33.9	8.7
	1967-71	1.2	0.6	1.0
	1971-76	2.3	5.3	2.6
	1960-76	4.2	8.1	4.2
4. number of employees	1960-63	6.1	4.2	5.9
	1963-67	1.0	2.3	1.1
	1967-71	-0.5	(-) 1.0	(-) 0.7
	1971-76	-0.2	3.9	0.1
	1960-76	1.2	2.4	1.2

Contrary to what has been observed in case of other countries, States again, the rate of increase in the 'employees other than workers' had also gone down during the later years, though the overall growth rate stood at 4.2 per cent. In all, very little increase occurred in the number of workers during the period under study. If we analyse the time series data we would find that a decline had in fact, occurred over the period from 1963-60 1976.

6.14 As between the census and sample sectors, taking the overall picture, it would be revealed that the sample sector grew in respect to the characteristics, number of factories, workers and employees, whereas a decline had occurred in the census sector. A continuous decline will be noticed in the census sector till it was 3.5 per cent for the number of factories and 0.24 per cent for the number of the employees. In contrast to this, even though in the sample sector the number of factories and employment decreased in the third sub-period, a redeeming feature of a rise in the fourth sub-period in the sample sector will be observed. It is, however, surprising that the number of 'employees other than workers' increased in the census sector. As regards the 'workers' both the sectors reported decline but the sample sector recorded an increase for the last sub-period (1971-76).

## TRENDS IN REAL WAGES AND LABOUR PRODUCTIVITY

6.15 The wages and value added at current prices for the census, sample and factory sectors are given for each of the six selected States in Tables (A.2.4) to A.2.6) of Appendix III. Using appropriate deflators, the time series on real wages and real value added per employee were obtained for the States at 1961-62 prices. The indices of the real wages and real value added per employee are presented in Tables (6.2.1) to (6.2.6) with 1961 as base,

6.16 BIHAR : In the factory sector a decline will be noticed in the real wages up to 1975, though in 1976 due to a fall in the consumer prices the real wages showed some improvement. The same trend will be noticed in the census sector, though despite some sporadic increases the real wages in the sample sector did not show any improvement.

6.17 As against the overall declining trend in the factory sector in real wages, the real value added per employee by and large, increased with some fluctuations (though in 1976 it suffered a setback again). Among the sectors, while the census sector showed an improved performance in the later years, the labour productivity recorded a considerable decline during the period in the sample sector, the level of productivity in 1976 being only two-thirds of 1961 level.

6.18 GUJARAT : Wages in real terms in the factory sector were throughout more than the 1961 level except for 1974 and 1975, indicating an improvement in the wages. In the census sector, by and large, considerable improvement will be observed during the later years but the real wages would appear to decline unmistakably in the sample sector.

6.19 The labour productivity in the factory sector in this State, would be seen to decline initially but to pick up till it was one-fifth more than the 1961 level. The labour productivity in the census sector will be seen to improve considerably during seventies. But in the sample sector

TABLE (6.2.1): INDICES OF REAL WAGES AND REAL VALUE ADDED PER EMPLOYEE FOR SELECTED STATES.

ALL INDUSTRIES

STATE: BIHAR

Year	Index(1961 = 100)					
	Real Wages			Real value added/employee		
	Census	Sample	Factory	Census	Sample	Factory
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1960	91.92	87.86	91.01	97.75	77.73	96.00
1961	100.00	100.00	100.00	100.00	100.00	100.00
1962	92.87	94.31	92.20	114.99	99.04	113.47
1963	96.73	99.73	96.32	111.61	66.66	107.64
1964	90.49	88.88	90.55	115.18	68.50	111.75
1965	86.41	86.58	86.52	114.15	50.81	109.94
1966	80.64	81.38	79.64	116.43	46.94	109.97
1967	75.19	76.37	75.20	92.80	52.76	90.22
1968	83.53	87.55	84.35	93.92	51.65	91.54
1969	91.04	99.26	90.85	101.22	58.01	97.67
1970	96.29	88.92	95.18	105.79	49.93	100.96
1971	99.50	101.91	100.16	107.13	51.65	103.75
1973	92.23	138.85	92.91	95.68	118.93	95.48
1974	77.96	104.10	78.88	119.04	36.93	112.13
1975	94.59	96.66	93.61	135.26	56.46	125.77
1976	108.47	98.12	108.01	105.95	66.42	103.07

TABLE (6.2.2): INDICES OF REAL WAGES AND REAL VALUE ADDED PER EMPLOYEE FOR SELECTED STATES.

ALL INDUSTRIES				STATE: GUJARAT		
Year	Index (1961 = 100)					
	Real Wages			Real value added/employee		
	Census	Sample	Factory	Census	Sample	Factory
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1960	105.41	93.27	102.70	97.57	91.10	96.12
1961	100.00	100.00	100.00	100.00	100.00	100.00
1962	105.20	105.39	104.68	92.91	63.92	90.76
1963	106.17	100.99	104.54	100.06	66.60	93.80
1964	102.97	96.94	101.99	94.70	68.35	90.07
1965	106.81	97.18	106.46	98.60	72.44	94.61
1966	110.83	97.06	108.94	99.51	68.18	93.92
1967	107.35	88.98	102.34	93.22	80.79	90.60
1968	107.12	96.21	102.48	95.72	70.38	83.54
1969	106.51	100.73	103.12	106.09	73.81	98.68
1970	106.27	97.18	102.20	115.56	82.58	106.26
1971	110.39	102.82	107.38	109.09	61.86	99.22
1973	103.99	96.21	100.14	119.89	69.24	108.39
1974	93.99	73.56	88.72	124.70	66.36	111.34
1975	101.57	79.80	96.95	108.77	59.90	98.40
1976	110.59	96.21	104.90	133.92	73.37	120.33



more or less a declining trend persisted till 1975; even in 1976 it was less than three-fourths of 1971 level.

6.20 M. HIRASHIR : An improvement in real wages will be noticed in this State in factory sector; in 1976 it was 19 per cent more than 1961 level. The census sector shows almost the same trends. In the sample sector with some fluctuations around 1961 level, it may be observed that the real wages declined marginally in 1976.

6.21 Compared to 1961 level the labour productivity in real terms increased in the factory sector. In case of census sector also the improvement in the performance is obvious. The sample sector revealed a poor performance of labour productivity, it being below 1961 level throughout the period from 1964 onwards.

6.22 TAMIL NADU : In the factory sector of this State the real wages would appear to improve during the period under study particularly during 1976. In the census sector also with some drop in between, the level of real wages was always above the 1961 level. In case of the sample sector, however, the real wages would appear to decline unmistakably from 1973 onwards probably due to the spiralling rise in the cost of living.

6.23 A trend in the opposite direction would be noticed in case of labour productivity in real terms, the factory sector showing the level of productivity below the 1961 level throughout the period from 1964 to 1975, though during 1976 it was slightly above. The same trend will be noticed in case of the census sector, though in the later years some improvement is evident. In case of the sample sector, the productivity decreased throughout the period with some fluctuations, some improvement though noticeable during 1976.

6.24 UTTAR PRADESH : The real wages of the workers in the factory sector somewhat improved, though fluctuations

TABLE (6.2,3): INDICES OF REAL WAGES AND REAL VALUE ADDED PER EMPLOYEE, FOR SELECTED STATES.

ALL INDUSTRIES			STATE: M A H A R A S H T M.			
Year	Index (1961 = 100)			Real value added/employee		
	Census	Sample	Factory	Census	Sample	Factory
1	2	3	4	5	6	7
1960	97.37	98	93.70	95.19	72.00	90.23
1961	100.00	100.00	100.00	100.00	100.00	100.00
1962	110.46	93.24	108.16	108.26	91.03	105.83
1963	116.67	106.45	116.32	112.52	109.16	112.49
1964	109.12	99.80	110.14	104.92	109.63	106.64
1965	113.38	108.70	115.14	105.44	110.25	107.37
1966	109.88	100.31	109.46	105.79	94.62	104.89
1967	109.11	93.55	108.71	99.82	80.01	97.96
1968	110.43	91.61	110.07	104.77	78.77	103.11
1969	112.17	99.08	111.00	121.22	98.38	118.94
1970	115.64	98.57	113.60	127.40	90.64	122.91
1971	117.48	101.43	117.99	129.97	93.16	128.11
1973	124.07	101.64	121.82	124.74	98.30	121.60
1974	110.72	102.35	109.95	120.92	91.57	117.45
1975	114.10	93.65	110.57	118.64	90.26	114.03
1976	122.41	98.26	119.04	131.87	98.80	127.22

Sk\*

TABLE (6.234): INDICES OF REAL WAGES AND REAL VALUE ADDED  
PER EMPLOYEE FOR SELECTED STATES.

ALL INDUSTRIES			STATE: TAMIL NADU			
Year	Index (1961 = 100)					
	Real Wages			Real value added/employee		
	Census	Sample	Factory	Census	Sample	Factory
1	2	3	4	5	6	7
1960	86.02	88.98	83.88	86.78	88.57	85.11
1961	100.00	100.00	100.00	100.00	100.00	100.00
1962	104.48	108.74	105.24	103.66	111.66	102.85
1963	109.62	102.96	109.08	101.55	93.26	100.16
1964	98.96	97.72	101.80	96.61	91.83	98.03
1965	98.26	100.40	102.58	94.43	94.02	97.12
1966	93.45	100.13	102.03	83.96	110.36	89.68
1967	100.83	102.15	105.09	79.19	73.34	80.45
1968	105.28	100.00	105.79	84.99	70.48	84.39
1969	106.94	107.39	111.27	91.98	96.52	95.21
1970	107.89	101.61	108.88	96.3	77.58	95.00
1971	104.53	103.63	108.92	93.63	70.70	93.74
1973	110.30	97.04	110.02	100.57	78.07	97.72
1974	107.28	82.12	105.01	102.12	74.45	98.50
1975	99.45	80.11	103.13	86.71	58.78	85.99
1976	115.17	93.41	118.54	105.73	86.56	101.06

Sk\*

will be noticed. Contradictory trends will be observed in the two sectors; while in larger units (Census sector) the real wage increased, that in the smaller units (i.e. sample sector) it decreased considerably.

6.25 The labour productivity in the factory sector registered an increase during the period under review. In fact, a comparative appraisal of movements in real wages and productivity would indicate that the former certainly lagged behind the latter throughout the period except 1967. This is true for both the sectors. The productivity nevertheless, in the sample sector did not reveal much improvement and in fact had declined to 89 percent in 1976 of what it was in 1961.

6.26 WEST BENGAL : Out of the six States considered in this study West Bengal reported comparatively the highest increase (42 percent) in real wages compared to 1961 wage, the increase in seventies being quite pronounced despite the inflationary conditions. In the census sector, there is a convincing trend in increase in real wages, that during seventies being quite sharp. In case of sample sector, however, as in other States, the real wages remained lower than the 1961 level throughout the period except for a few years in between.

6.27 The labour productivity in the factory sector although showed some signs of improvement initially, declined subsequently and improved only during the later years. In contrast to what is observed in Uttar Pradesh, here the productivity lagged behind the real wages from 1965 onwards. The behaviour of the census sector was similar to the factory sector, the labour productivity in the sample sector remaining marginally below the 1961 level, by and large.

6.28 The wage-productivity trends can now be summarised. In real terms, whereas labour productivity showed signs of improvement over the years in Bihar and Uttar Pradesh, it was not accompanied by a commensurate increase in wages in the latter and was associated with even a decline in the wages in the former. On the other extreme, may be mentioned the instances of West Bengal and Tamil Nadu where an increase in wages was effected despite a decline in labour productivity.

TABLE (6.2.5): INDICES OF REAL WAGES AND REAL VALUE ADDED PER EMPLOYEE FOR SELECTED STATES.

ALL INDUSTRIES			STATE: U T T A R P R A D E S H			
Year	Real Wages			Index (1960 = 100)		
	Census	Sample	Factory	Census	Sample	Factory
1	2	3	4	5	6	7
1960	95.95	101.41	96.40	99.40	114.52	100.77
1961	100.00	100.00	100.00	100.00	100.00	100.00
1962	105.03	101.29	104.38	96.61	113.86	97.26
1963	103.74	97.17	103.33	103.53	104.33	103.73
1964	98.10	91.90	97.63	110.57	100.44	109.52
1965	97.15	84.06	95.87	121.42	90.16	118.13
1966	100.24	97.81	100.26	107.71	114.55	108.40
1967	99.49	94.47	97.45	82.38	93.29	82.55
1968	103.31	99.23	101.14	122.67	90.85	116.37
1969	105.30	95.12	102.19	149.50	103.45	140.51
1970	110.14	99.59	106.23	134.35	96.11	127.65
1971	114.04	91.13	110.62	117.09	144.26	119.42
1973	104.17	91.52	100.97	125.20	104.64	120.53
1974	94.21	68.51	90.17	114.47	85.77	109.73
1975	105.87	69.02	100.00	110.87	80.31	105.79
1976	111.30	83.93	105.71	139.05	88.65	129.53

SP\*

TABLE (6.2.6): INDICES OF REAL WAGES AND REAL VALUE ADDED PER EMPLOYEE FOR SELECTED STATES.

ALL INDUSTRIES			STATE: WEST BENGAL			
Year	Real Wages			Real value added/employee		
	Census	Sample	Factory	Census	Sample	Factory
1	2	3	4	5	6	7
1960	96.68	90.00	96.45	99.32	100.65	99.58
1961	100.00	100.00	100.00	100.00	100.00	100.00
1962	102.96	90.47	102.44	111.77	98.37	111.09
1963	101.82	90.89	101.18	116.16	107.64	115.90
1964	103.57	94.30	103.17	113.28	92.56	111.82
1965	107.69	94.43	107.68	104.98	95.10	104.92
1966	104.43	90.66	103.76	94.43	92.07	94.39
1967	102.47	89.27	101.99	87.12	71.14	86.06
1968	107.60	89.69	103.83	91.64	70.71	89.54
1969	119.35	95.54	116.68	98.25	85.89	96.53
1970	125.50	95.51	122.30	99.17	95.29	98.16
1971	136.21	100.24	134.83	104.39	104.22	104.57
1973	140.00	112.38	137.64	100.45	94.00	99.38
1974	129.86	99.38	127.08	104.15	97.35	103.05
1975	141.36	85.63	137.54	105.45	97.41	104.40
1976	145.64	92.50	142.14	116.61	99.62	115.14

Sk\*

## CHAPTER 7

### INTER-REGIONAL DIFFERENTIALS

#### WAGE DIFFERENTIALS

7.1 We have already observed that the overall picture obtaining in the trends in real wages was that of a declining one for Bihar, a marginal improvement for Uttar Pradesh and Gujarat and an increasing one for West Bengal, Tamil Nadu and Maharashtra. In order to have a comparative study of the wages among the six selected States and their relative movements, average wages at current prices are presented for the sub-periods 1960-63, 1963-67, 1967-71 and 1973-76 in Table (7.1) for the census, sample and combined factory sectors.

7.2 The wages vary widely, Maharashtra reporting the highest wage among the selected States in all sub-periods except 1960-63. Table (7.1) also gives the average wage in each State expressed as a percentage of the corresponding wage in Maharashtra for the different sub-periods. In the factory sector, the widest gap in wages was noticed between Maharashtra and Uttar Pradesh, while Bihar and West Bengal were close to Maharashtra. By and large, the wage in Tamil Nadu was more or less three-fourths of that in Maharashtra. Further, whereas the differential increased in respect of Gujarat, it decreased in case of West Bengal.

7.3 These trends are also observed in the Census sector. In the sample sector, wage in West Bengal was quite close to that in Maharashtra. The differential with respect to Maharashtra further increased over time in all the States except Bihar.

TABLE (7.1) : AVERAGE WAGES IN SELECTED STATES DURING SPECIFIED PERIODS FOR THE CENSUS, SAMPLE AND FACTORY SECTORS

ALL INDUSTRIES		Average wage (RS)					
Sector	Period	Bihar	Gujarat	Maharashtra	Tamil Nadu	Utter Pradesh	West Bengal
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
CENSUS	1960-63	1952 (104.45)	1614 (85.38)	1869 (100.00)	1463 (78.32)	1254 (67.09)	1463 (78.27)
	1964-67	2373 (93.93)	2237 (88.57)	2526 (100.00)	1896 (75.08)	1753 (69.40)	1996 (79.02)
	1968-71	3240 (95.20)	2762 (81.14)	3403 (100.00)	2455 (72.14)	2383 (70.00)	3001 (86.17)
	1973-76	5144 (94.39)	4225 (77.52)	5450 (100.00)	4229 (77.61)	3539 (64.93)	5176 (94.98)
SAMPLE	1960-63	671 (72.25)	827 (89.07)	928 (100.00)	748 (80.56)	799 (86.03)	898 (96.73)
	1964-67	818 (63.70)	1051 (81.88)	1284 (100.00)	979 (76.21)	1056 (82.25)	1168 (90.96)
	1968-71	1132 (68.80)	1360 (82.99)	1645 (100.00)	1219 (74.08)	1330 (80.82)	1553 (94.40)
	1973-76	2047 (79.88)	1894 (73.92)	2563 (100.00)	1754 (68.45)	1703 (66.44)	2383 (93.00)
FACTORY	1960-63	1795 (105.44)	1470 (86.29)	1703 (100.00)	1278 (75.02)	1183 (69.47)	1410 (82.80)
	1964-67	2189 (93.15)	2017 (85.81)	2350 (100.00)	1727 (73.48)	1640 (69.79)	1924 (81.87)
	1968-71	2999 (95.69)	2454 (78.23)	3135 (100.00)	2206 (70.38)	2187 (69.76)	2854 (91.05)
	1973-76	4762 (96.32)	3712 (75.10)	4943 (100.00)	3754 (75.94)	3193 (64.99)	4894 (99.01)

NOTE : Figures in brackets indicate the percentages with Maharashtra as 100.00



7.4 The differentials between the wages in the census and sample sectors in the form of the latter expressed as a percentage of the former in respect of each State and sub-period in Table (7.2), indicate that in 1973-76 in all the States the wage in the sample sector was less than half of that in the census sector. This proportion registered a decline over the period for all the States except Bihar, indicating widening of the differential. This proportion was the lowest in Bihar (40%) and highest in U.P. (48%). The decline in this proportion for the States of West Bengal and Uttar Pradesh may particularly be noted.

TABLE (7.2) : Average wage in the sample sector expressed as percentage of that in the census sector.

Period	Average wage in sample sector as percentage of that in census sector					
	Bihar	Gujarat	Maha-rashtra	Tamil Nadu	Uttar Pradesh	West Bengal
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1960-63	34.57	51.24	49.66	51.11	63.71	61.41
1964-67	34.48	47.00	50.34	51.61	60.26	58.53
1968-71	34.94	49.26	48.34	49.64	55.81	51.76
1973-76	39.79	44.84	47.03	41.43	48.12	46.05

#### LABOUR PRODUCTIVITY DIFFERENTIALS

7.5 We now examine the differentials in labour productivity as existing between the selected States over the different sub-periods for each of the sectors. As in respect of wages, Maharashtra also reported the highest labour productivity in all the sub-periods and also in both the census and sample sectors. Differentials are, therefore, examined with respect to Maharashtra. ( Table (7.3) ).

TABLE (7.3) : AVERAGE VALUE ADDED PER EMPLOYEE IN SELECTED STATES FOR THE CENSUS, SAMPLE AND THE FACTORY SECTORS

ALL INDUSTRIES		Value added per employee ( Rs. )					
Sector	Period	Bihar	Gujarat	Mahara- shtra	Tamil Nadu	Utter Pradesh	West Bengal
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
CENSUS	1960-63	4149 (95.10)	3262 (74.78)	4367 (100.00)	3555 (81.48)	2532 (58.05)	3272 (75.01)
	1964-67	5757 (97.61)	4375 (74.18)	5898 (100.00)	4311 (73.10)	3578 (60.67)	4098 (69.48)
	1968-71	6790 (78.64)	6046 (70.02)	8634 (100.00)	3671 (65.68)	5635 (65.26)	5124 (59.35)
	1973-76	12501 (85.85)	11425 (78.46)	14561 (100.00)	10023 (68.83)	8687 (59.65)	9177 (63.02)
SAMPLE	1960-63	2224 (89.61)	2389 (96.27)	2482 (100.00)	2263 (91.21)	1770 (71.34)	2179 (87.79)
	1964-67	1911 (54.54)	2963 (84.55)	3504 (100.00)	2863 (81.71)	2217 (63.26)	2520 (71.92)
	1968-71	2333 (57.10)	3667 (89.72)	4087 (100.00)	3078 (75.32)	3052 (74.69)	3246 (79.43)
	1973-76	4876 (69.19)	5628 (79.83)	7047 (100.00)	4788 (67.94)	4092 (58.06)	5848 (82.99)
FACTORY	1960-63	3918 (97.30)	3094 (76.83)	4027 (100.00)	3209 (79.70)	2407 (59.78)	3168 (78.67)
	1964-67	5322 (96.04)	4110 (74.18)	5541 (100.00)	4033 (72.78)	3359 (60.61)	3947 (71.23)
	1968-71	6298 (79.33)	5503 (69.31)	7939 (100.00)	5154 (64.92)	5133 (64.66)	4916 (61.93)
	1973-76	11579 (87.46)	10092 (76.22)	13240 (100.00)	8966 (67.71)	7809 (58.98)	8806 (66.50)

NOTE : Figures in brackets indicate percentages with Maharashtra as 100.00

7.6 In the factory sector, Bihar's performance may be adjudged to be closest to Maharashtra, though the initial differential widened. The widest gap will be observed in respect of Uttar Pradesh reporting more or less three-fifths of the productivity in Maharashtra. The productivity in Tamil Nadu and West Bengal were about two-thirds of that in Maharashtra in 1973-76. Except for Uttar Pradesh and Gujarat, the initial differentials increased further over the years. These trends are present in the census sector too.

7.7 In respect of sample sector, the differential with respect to Maharashtra behaved differently, with Gujarat being nearer to Maharashtra in the first three sub-periods and West Bengal in the fourth. All the States moved away from the performance of Maharashtra with the passage of time.

7.8 Table (7.4) reveals the labour productivity in the sample sector as percentage to that in the census sector for the selected States and the sub-periods. During 1973-76, this proportion was the highest (64%) in case of West Bengal; in Bihar, the productivity in the sample sector was only 39 per cent of that in the census sector. The relative movement of this proportion may now be observed. This proportion had undergone a decline in all the States, considerably for Gujarat, Uttar Pradesh, Tamil Nadu and Bihar indicating the relatively poor performance of the sample sector in these States.

TABLE ( 7.4 ) : Average value added per employee in the sample sector expressed as percentage of that in the census sector.

Period	Average value added per employee in sample sector as percentage of the rate in census sector.					
	Bihar	Gujarat	Mahara- shtra	Tamil Nadu	Uttar Pradesh	West Bengal
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1960-63	53.61	73.24	56.89	63.63	69.92	66.59
1964-67	33.20	67.72	59.41	66.41	61.95	61.50
1968-71	34.36	60.65	47.33	54.28	54.17	63.35
1973-76	39.00	49.26	43.69	47.77	47.10	63.73

DIFFERENTIALS IN SHARE OF WAGES IN VALUE ADDED

7.9 Tables (8.1.1) to (8.1.6) present separately the percentage share of wages and emoluments respectively in value added for the census sector, the sample sector and the combined factory sector for the six selected States. It is observed that on an average the share of wages in value added in the factory sector varied between 33 per cent for Maharashtra to 43 per cent in respect of West Bengal. A declining trend is observed for the States of Gujarat ( 42 per cent to 28 per cent ), Maharashtra ( 39 per cent to 28 per cent ), Uttar Pradesh ( 41 per cent to 30 per cent ) the decline for the two States Bihar ( 39 per cent to 37 per cent ) and Tamil Nadu ( 35 per cent to 32 per cent ) being comparatively less. In contrast to this, an increasing trend is observed in West Bengal ( 40 per cent to 44 per cent ). In all the States except Tamil Nadu, the fluctuations were quite marked.

TABLE (8.1.1): SHARE OF WAGES IN VALUE ADDED AND THAT OF EMOLUMENTS IN VALUE ADDED CENSUS SAMPLE AND FACTORY SECTOR.

Year	ALL INDUSTRIES		STATE:			
	Census sector		Sample sector		Factory sector	
	Percentage share of wages in value added	Percentage share of emoluments in value added	Percentage share of wages in value added	Percentage share of emoluments in value added	Percentage share of wages in value added	Percentage share of emoluments in value added
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1960	39.97	63.11	26.22	35.23	39.05	61.26
1961	42.58	63.46	21.32	28.26	40.86	60.62
1962	34.63	53.10	22.02	28.36	33.71	51.30
1963	37.05	56.78	33.40	43.79	36.86	56.11
1964	33.14	52.49	28.33	37.83	32.91	51.79
1965	32.39	48.94	40.24	51.81	32.65	49.03
1966	29.90	45.99	41.00	55.17	30.32	46.33
1967	36.06	55.42	35.89	48.93	36.05	55.14
1968	37.55	60.08	37.88	53.79	37.56	59.83
1969	35.65	58.65	36.90	51.74	35.71	58.32
1970	36.74	60.15	38.44	55.29	36.81	59.95
1971	37.45	60.72	42.07	58.93	37.62	60.68
1972	-	-	-	-	-	-
1973	37.81	66.28	24.30	45.94	36.25	63.93
1974	25.64	45.11	37.21	57.79	26.47	48.02
1975	26.69	44.16	33.74	50.38	26.98	44.40
1976	37.12	57.73	28.37	45.72	36.68	57.13
Average	35.02	55.76	32.96	46.82	34.7	55.24

TABLE (8.1.2): SHARE OF WAGES IN VALUE ADDED AND  
THAT OF EMOLUMENTS IN VALUE ADDED  
FOR CENSUS SAMPLE AND FACTORY SECTOR

Year	ALL INDUSTRIES		STATE: GUJARAT			
	Census Sector		Sample Sector		Factory Sector	
	Percentage share of wages in value added	emoluments in value added	Percentage share of wages in value added	emoluments in value added	Percentage share of wages in value added	emoluments in value added
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1960	45.64	59.23	24.76	31.07	42.04	54.37
1961	42.50	55.63	24.17	29.98	39.56	51.51
1962	47.00	62.53	38.01	47.60	45.87	60.66
1963	43.22	58.25	34.89	44.14	42.16	56.46
1964	45.10	62.53	32.38	41.34	43.44	59.77
1965	43.40	56.30	29.86	38.11	41.80	54.15
1966	42.83	56.04	30.64	40.11	41.28	54.72
1967	44.84	61.06	24.17	33.72	41.40	56.51
1968	43.59	62.72	29.78	40.20	41.22	58.84
1969	38.97	53.98	29.58	40.32	37.50	51.84
1970	35.73	49.96	25.14	34.55	33.97	47.40
1971	37.37	52.97	34.63	47.64	37.03	52.34
1973	32.54	46.23	29.84	41.51	32.18	45.60
1974	28.04	41.55	23.10	34.38	27.41	40.63
1975	34.78	50.71	27.73	41.44	33.92	49.58
1976	28.25	42.31	25.84	38.22	27.94	41.78
Average	39.61	54.55	29.08	39.02	38.05	52.26

7.10 Comparing the two sectors, it is seen that there exist differentials in this proportion. For Gujarat, Tamil Nadu and West Bengal the share of wages in value added in the census sector was higher than that in sample sector, throughout the period. Except for the States of Bihar and Gujarat, the proportion had registered a decline in the sample sector. In Maharashtra, the initial differential between the sectors was narrowed down till it was nearly the same in 1976. As regards the census sector's performance, West Bengal was the only State where an increase will be noticed in this proportion.

TABLE (3.1.3) : SHARE OF WAGES IN VALUE ADDED AND THAT OF EMOLUMENTS IN VALUE ADDED FOR CENSUS SAMPLE AND FACTORY SECTOR.

Year	ALL INDUSTRIES				STATE: MAHARASHTRA	
	Census sector		Sample sector		Factory sector	
	percentage share of wages in value added	percentage share of emoluments in value added	percentage share of wages in value added	percentage share of emoluments in value added	percentage share of wages in value added	percentage share of emoluments in value added
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1960	39.81	53.13	36.70	45.45	39.46	52.27
1961	39.31	52.13	36.30	40.63	38.74	50.84
1962	39.54	53.02	36.52	41.89	39.03	51.39
1963	38.43	52.51	31.00	39.19	37.65	51.12
1964	36.14	55.01	26.95	39.78	35.27	53.53
1965	35.20	52.15	27.90	33.05	34.54	50.39
1966	34.93	52.67	30.44	45.35	34.54	51.95
1967	35.02	54.03	30.02	52.52	34.33	53.39
1968	35.33	57.72	34.36	53.22	35.38	57.33
1969	31.20	49.44	30.11	44.94	31.10	49.04
1970	30.23	48.72	31.38	48.57	30.36	48.71
1971	29.93	48.43	31.36	48.15	30.07	48.41
1973	30.43	49.39	27.81	44.00	30.19	48.90
1974	26.55	47.00	27.68	46.27	26.65	46.93
1975	29.90	51.63	27.50	46.74	29.66	51.19
1976	28.55	48.73	27.03	45.14	28.41	48.39
Average	33.79	51.61	30.63	44.99	33.43	50.98

TABLE (3.1.4) : SHARE OF WAGES IN VALUE ADDED AND THAT OF EMOLUMENTS IN VALUE ADDED FOR CENSUS, SAMPLE AND FACTORY SECTOR.

Year	ALL INDUSTRIES				TAMIL NADU	
	Census sector		Sample sector		Factory sector	
	percentage share of		percentage share of		percentage share of	
	wages in value added	emoluments in value added	wages in value added	emoluments in value added	wages in value added	emoluments in value added
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1960	36.93	49.33	28.96	35.17	35.10	46.03
1961	37.97	49.16	29.72	34.51	36.49	46.54
1962	37.14	50.09	27.32	34.90	35.25	47.16
1963	38.14	52.46	29.88	37.70	36.78	50.03
1964	35.05	51.82	28.39	37.61	34.16	49.93
1965	36.07	50.79	28.47	38.72	35.13	49.29
1966	38.30	55.67	28.12	32.52	35.78	51.32
1967	38.25	56.42	30.77	47.05	37.34	55.28
1968	37.73	55.52	34.33	50.62	36.85	54.92
1969	35.43	53.18	26.67	39.94	34.29	51.46
1970	34.76	52.31	32.29	47.25	34.44	51.66
1971	35.33	53.89	36.43	51.83	35.44	53.75
1973	33.89	51.32	30.10	45.05	33.39	50.50
1974	31.63	48.73	26.44	43.63	30.99	48.14
1975	39.29	61.63	31.70	50.31	33.64	60.66
1976	32.94	50.35	26.06	41.21	32.29	49.49
Average	36.13	52.67	29.41	41.76	35.15	51.04



TABLE (3.1.5) : SHARE OF WAGES IN VALUE ADDED AND THAT OF EMOLUMENTS IN VALUE ADDED FOR CENSUS SAMPLE AND FACTORY SECTOR.

Year	ALL INDUSTRIES		UTTAR PRADESH			
	Census sector		Sample sector		Factory sector	
	percentage share of wages in value added	percentage share of emoluments in value added	percentage share of wages in value added	percentage share of emoluments in value added	percentage share of wages in value added	percentage share of emoluments in value added
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1950	41.93	56.34	37.31	47.11	41.39	55.13
1961	43.43	57.33	43.13	55.06	43.45	57.13
1962	47.97	64.03	38.00	47.36	46.63	61.92
1963	43.25	59.16	39.49	43.90	42.86	58.10
1964	41.59	57.46	41.49	53.53	41.35	57.10
1965	37.90	50.13	43.30	55.90	38.33	50.59
1966	40.26	52.81	34.87	47.63	39.65	52.23
1967	51.02	67.40	41.62	54.53	49.60	65.43
1968	36.95	50.13	47.07	59.39	33.02	51.17
1969	30.17	41.95	38.47	52.34	31.00	43.00
1970	35.13	50.32	38.98	53.74	35.50	50.65
1971	41.06	60.42	25.76	37.10	33.33	63.73
1973	32.41	55.12	33.36	49.34	32.53	54.51
1974	32.41	57.07	30.93	47.97	32.27	59.18
1975	36.50	50.24	33.14	49.57	36.13	57.42
1976	29.45	46.03	33.92	43.62	29.37	46.32
aver- age	38.85	55.26	37.59	50.57	38.61	54.01

TABLE (3.1.6) : SHARE OF WAGES IN VALUE ADDED AND  
THAT OF EMOLUMENTS IN VALUE ADDED  
FOR CENSUS SAMPLE AND FACTORY SECTOR.

Year	ALL INDUSTRIES				WEST BENGAL	
	Census sector		Sample sector		Factory sector	
	percentage share of wages in value added	emoluments in value added	percentage share of wages in value added	emoluments in value added	percentage share of wages in value added	emoluments in value added
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1960	40.39	59.62	32.97	47.22	39.87	58.73
1961	41.23	60.54	37.17	53.19	40.93	60.10
1962	38.58	57.01	34.23	48.49	38.32	56.50
1963	36.86	55.41	34.85	53.20	36.73	55.28
1964	37.33	57.64	36.55	55.07	37.29	57.50
1965	40.00	58.99	33.71	54.66	39.66	58.75
1966	42.36	64.05	33.23	52.29	41.73	63.24
1967	44.11	67.05	40.49	63.00	43.90	67.59
1968	47.10	72.62	44.77	70.26	46.95	72.47
1969	47.55	73.02	38.49	60.76	46.84	72.06
1970	49.63	75.20	35.31	55.86	48.50	73.68
1971	50.7	75.13	31.42	51.77	48.89	73.54
1973	49.93	76.14	36.48	60.59	48.88	74.91
1974	44.00	67.91	31.02	52.54	43.04	66.63
1975	47.82	71.82	26.37	47.43	46.22	70.00
1976	45.35	70.74	23.47	49.57	44.23	69.34
average	43.94	66.47	34.73	54.75	43.25	65.64

7.11 The declining trend in share of wages in value added in most of the selected States may be due to an increasing role of capital in production. Another factor may be a rise in 'employees other than workers' i.e. the supervisory and the technical staff. The ratio productive capital per employee is used in order to investigate the possible effect of capital intensity, where productive capital is the sum of fixed capital and working capital. These ratios for the selected States and the different years are presented in Table (8.2). The percentages of the number of employees other than workers to all employees are given in Table (8.3).

7.12 It will be seen that in West Bengal, the only States where there was an increase in the share of wages in value added, the increase in capital intensity ~~Table (8.2)~~ had been comparatively the least. Further, except Bihar, the proportion of employees other than workers in West Bengal, also, had not increased as much as in other States. The sharp decline in Maharashtra, Gujarat and Uttar Pradesh may be attributed to these two factors, though it is not clear why despite a high increase in the rate of capital investment and of supervisory and technical staff, the share of wages in value added in Tamil Nadu had not undergone much decline.

TABLE(8.2) : PRODUCTIVE CAPITAL PER EMPLOYEE IN FACTORY  
SECTOR FOR SELECTED STATES

ALL INDUSTRIES

Year	Productive capital per employer (Rs. '000)					
	Bihar	Gujarat	Mahara- shtra	Tamil Nadu	Utter Pradesh	West Bengal
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1960	14.01	5.34	6.74	4.48	5.66	6.38
1961	14.33	6.48	7.95	5.71	6.63	7.42
1962	14.36	7.72	8.77	7.31	6.45	9.86
1963	15.48	9.12	10.40	8.29	7.27	10.41
1964	16.78	9.36	11.23	11.39	12.51	11.58
1965	23.90	10.49	12.68	13.07	14.76	13.44
1966	26.11	12.27	15.18	15.66	19.03	15.32
1967	31.27	13.77	16.13	16.87	21.27	16.61
1968	32.28	16.95	17.71	16.65	23.44	16.13
1969	30.71	15.30	19.13	19.30	27.42	17.72
1970	34.21	15.82	21.26	20.29	30.27	18.51
1971	35.41	17.81	21.37	21.26	32.71	18.93
1973	39.91	21.64	26.05	23.27	38.34	17.54
1974	41.70	25.91	28.60	25.43	39.00	19.71
1975	71.56	28.71	29.17	26.27	21.70	21.38
1976-77	77.40	33.13	33.06	28.37	26.83	24.43

TABLE (8.3) : PERCENTAGE OF EMPLOYEES OTHER THAN WORKERS  
TO ALL EMPLOYEES IN THE FACTORY SECTOR.

ALL INDUSTRIES

Percentage of employees other than workers to all employees

Year	Bihar	Gujarat	Tamil Nadu	Mahara- shtra	Uttar Pradesh	West Bengal
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1960-	19.22	10.71	9.16	7.96	12.09	13.05
1961-	18.74	9.63	8.19	7.81	10.48	12.28
1962-	17.92	11.16	10.32	8.82	10.94	13.18
1963-	17.74	11.86	10.57	9.65	11.83	12.76
1964-	18.31	13.08	14.08	14.93	12.55	14.65
1965-	19.82	13.79	16.13	18.06	12.75	16.40
1966-	20.55	15.21	17.37	18.92	14.51	18.01
1967-	20.71	15.91	18.68	19.99	14.93	16.64
1968-	22.66	16.87	17.44	19.73	15.05	17.45
1969-	22.69	16.22	17.83	19.74	16.66	17.50
1970	22.84	16.26	17.84	20.49	16.34	17.32
1971	21.71	17.06	17.99	21.00	16.64	17.84
1973-	23.44	17.11	17.37	21.36	18.88	15.93
1974-	25.38	17.72	19.06	23.33	20.37	18.16
1975-	25.13	18.21	21.16	24.08	20.37	17.72
1976-	25.31	19.36	20.01	24.12	20.27	19.98

Share of emoluments in value added:

7.13 In the factory sector among all the selected States, on an average, the highest proportion was recorded for West Bengal (66 per cent), this proportion varying between 51 per cent to 55 per cent for the remaining selected States. Except for Tamil Nadu and West Bengal all the selected States revealed more or less a declining trend in the share of emoluments in value added, the increase in this ratio for West Bengal being from 59 per cent to 69 per cent during the period under review.

7.14 The census sector revealed more or less the same trends as the factory sector. However, in the sample sector an increase in the proportion will be noticed for the States of Bihar (35 per cent to 46 per cent), Gujarat (31 per cent to 38 per cent) and Tamil Nadu (35 per cent to 41 per cent), while a slight increase or an almost static trend is observed for West Bengal, Uttar Pradesh and Maharashtra. The differentials between the two sectors as regards this proportion would appear to narrow down considerably in respect of the States of Maharashtra and Uttar Pradesh, whereas the same appears to increase in case of West Bengal.

## CHAPTER 8

### DIFFERENTIALS IN WAGES - AN INTER-SECTORAL COMPARISON

8.1 From what we have discussed in the preceding sections it appears that there exist differences in wages in the large scale manufacturing registered sector as represented by the census sector and the rest of the registered sector i.e. the sample sector. It would be interesting to compare these wages in the organised sector with those of the unorganised sector for the periods for which the data are available. The National Sample Survey had canvassed three surveys on small scale manufacture in the 14th round ( July 1958 - June 1959 ), 23rd round ( July 1968 - June 1969 ) and 29th round ( July 1974 - June 1975 ) covering the unregistered manufacturing enterprises in the rural and urban areas through household approach.

8.2 Against the manufacturing sector comprising the registered and the unregistered segments, an attempt has also been made in this section to bring to focus the prevailing wage rates of rural labour households engaged in both farm and non-farm occupations. For this purpose, data from the Rural Labour Enquiries (RLE) of 1963-65 and 1974-75 and the survey on the weaker section in the rural areas by the National Sample Survey in its 25th round (July 1970 - June 1971) are used.

8.3 Table (9) presents the estimates of the annual wages for the different sectors in each of the six industrially important States against the all India

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TABLE (9) WAGES IN DIFFERENT SECTORS OF EMPLOYMENT IN SELECTED STATES  
DURING SPECIFIED TIME PERIODS

Period/ Source	sector	annual wages (Rs.)						
		Bihar	Gujarat	Maha- rashtra	Tamil Nadu	Uttar Pradesh	West Bengal	All India
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
<u>1. 1958-59</u>								
	<u>registered manufacturing*</u>							
ASI-59	Census	1578	1379	1487	998	1019	1228	1192
		(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)
	sample	590	564	777	664	3	786	700
		(35.15)	(48.15)	(52.25)	(66.53)	(78.31)	(54.01)	(58.72)
	<u>unregistered small scale manufacture 1/</u>							
NSS 14th round (July 58 - June 59)	urban	327	537	476	340	459	666	418
		(19.49)	(38.94)	(32.01)	(34.07)	(45.00)	(54.23)	(35.07)
	rural	253	387	188	234	112	435	217
		(15.08)	(28.06)	(12.64)	(23.45)	(10.99)	(35.42)	(18.20)
<u>2. 1964-65</u>								
	<u>registered manufacturing*</u>							
ASI-64	census	2197	1869	2158	1752	1570	1761	1720
		(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)
	sample	706	940	1098	824	929	1049	767
		(32.13)	(50.29)	(50.88)	(47.03)	(59.17)	(59.57)	(44.59)
	<u>rural labour 2/</u>							
RLE-64-65	all rural labour households	323	490	413	327	265	547	376
		(14.70)	(26.22)	(19.11)	(18.66)	(16.88)	(31.06)	(20.70)
	agricultural labour households	306	432	388	285	245	526	339
		(13.93)	(23.11)	(17.98)	(16.27)	(15.61)	(29.87)	(19.71)

Note: Figures in brackets indicate percentages with wages in the census sector as 100.00.



TABLE (9) continued

Period/ Sources	sector	annual wages (Rs.)						
		Bihar	Gujarat	Maha- rashtra	Tamil Nadu	Uttar Pradesh	West Bengal	All India
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
<b>3. 1968-69</b>								
<u>registered manufacturing*</u>								
ASI-68	census	3097 (100.00)	2618 (100.00)	3152 (100.00)	2345 (100.00)	2194 (100.00)	2535 (100.00)	2472 (100.00)
	sample	1031 (33.29)	1279 (48.85)	1485 (47.11)	1109 (47.29)	1343 (61.21)	1410 (55.62)	1250 (50.57)
<u>unregistered small scale manufacturing 3/</u>								
NSS 23rd round (July 68- June 69)	urban	-	-	-	-	-	-	333 (33.70)
	rural	-	-	-	-	-	-	362 (14.64)
<b>4. 1970-71</b>								
<u>registered manufacturing*</u>								
ASI-70	census	3716 (100.00)	2760 (100.00)	3514 (100.00)	2837 (100.00)	2426 (100.00)	3114 (100.00)	2861 (100.00)
	sample	1119 (30.11)	1357 (49.17)	1688 (48.04)	1248 (44.00)	1297 (53.47)	1593 (51.16)	1397 (48.83)
<u>rural weaker section 4/</u>								
NSS 25th round (July 70- June 71)	small cultivator households	386 (10.39)	541 (19.60)	497 (14.14)	359 (12.65)	469 (19.33)	561 (18.02)	441 (15.41)
	non-cultivator wage earner households	400 (10.76)	633 (22.93)	509 (14.48)	374 (13.18)	510 (21.02)	599 (19.24)	490 (17.13)

TABLE (9) continued

Period/ Sources	sector	annual wages (Rs.)						
		Bihar	Gujarat	Maha- rashtra	Tamil Nadu	Uttar Pradesh	West Bengal	All India
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
5. 1974-75								
<u>registered manufacturing*</u>								
	Census	5180	4105	5130	4289	3431	4872	4288
		(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)
	sample	1763	1732	2569	1666	1636	2402	1913
		(34.03)	(42.19)	(52.03)	(38.84)	(47.63)	(49.30)	(44.61)
<u>unregistered small scale 5/ manufacture</u>								
	NSS 29th round	1489	2033	1778	1230	1528	1560	1551
		(28.75)	(49.52)	(34.66)	(28.63)	(44.54)	(32.02)	(36.17)
	(July 74 - June 75)	1319	1526	969	583	1101	1059	822
		(25.46)	(37.17)	(18.89)	(13.59)	(32.09)	(21.74)	(19.17)
<u>rural labour 6/</u>								
	all rural labour households	685	763	693	670	729	903	734
		(13.22)	(18.59)	(13.51)	(15.62)	(21.25)	(18.53)	(17.12)
	agricultural labour households	651	748	635	606	698	804	631
		(12.57)	(18.22)	(12.40)	(14.13)	(20.34)	(16.50)	(15.88)

Note : Figures in brackets indicate percentages with wages in the census sector as 100.00.

1/ State-wise and all India estimates are obtained from NSS Report No.94 which provides per manufacturing household estimate of hired labour charges; No. of household and hired labourers. Hired charges being monthly, the wages were obtained as :

$$\text{Annual Wages} = \frac{(\text{No. of households}) \times (\text{hired charges per household})}{\text{No. of hired workers}} \times 12$$

2/ Wage for each category of households is obtained as  $n_1 w_1 + n_2 w_2$  where  $n_1$  is the No. of days of wage employment in agricultural operations for men and  $n_2$  for non-

TABLE (9) Continued

agricultural operations for men.  $w_1$  and  $w_2$  refer to the average daily earnings of men in agricultural and non-agricultural operations respectively. It may be observed here that although this information is available for All India in the RLE report, the State-wise data are not presented. Hence the all India ratios of No. of days of wage employment in agricultural operations to total no. of days of wage employment are used to derive the State-wise breakdowns. Source : Final Report of the Rural Labour Enquiry 1964-65. Refer to Table (B.1) of Appendix IV.

3/

State-wise results are not available in any of the NSS reports. The All India rates have been computed from NSS Report Nos. 205 and 218 which provide No. of hired labour per enterprise and per enterprise estimate of labour charges. Hired charges being monthly, the wage was obtained as :

$$\text{Annual Wage} = \left\{ \frac{\text{Hired charges per enterprise}}{\text{hired labour per enterprise}} \right\} \times 12$$

4/

Wage for each category is obtained by multiplying the average rate of earnings per man day for the year 1970-71 obtained from NSS Draft Report No. 270 by the number of man days of wage employment in both agricultural and non-agricultural operations for men in 1974-75 by using the All India figure obtained from the Summary Report of RLE 1974-75 and the State-wise figures obtained from Labour Bureau. The category of the non-cultivating wage earners of NSS 25th round is equated to the all rural labour households of RLE. Though it is realised that complete identification is not warranted, in absence of appropriate data, the number of days of wage employment for agricultural labour households (RLE) is considered for computing the rates for small cultivator households (NSS). Refer Table (B.2) of Appendix IV.

5/

Source : NSS Draft Report No. 280.

6/

Refer Table (B.3) of Appendix IV.

The estimates of annual wages for the registered manufacturing sector are based on the industries in manufacturing and do not include those of electricity and gas.

picture. Except for the registered sector, the annual wages have been derived, using approximate procedures. The estimates of annual wages for the registered manufacturing sector are based on the industries in manufacturing and do not include those of electricity and gas. In all, the results for the five spread out periods 1958-59, 1964-65, 1968-69, 1970-71 and 1974-75 are presented which give evidence of the movement of the differentials over time.

#### LIMITATIONS

8.4 Before the results are presented, the inherent limitations of the derived estimates and the comparability aspect are set forth in the following sections :

1. It will be realised that proportionately the number of hired workers in the <sup>un-</sup>registered sector would be less than the workers in the registered sector because of the phenomenon of the self-employed and family members participating in the enterprise activities. Since the wages relate only to the hired workers it is assumed that the wages for those excluded are the same.
2. The RLE results present separately the average daily earnings for men, women and children for two categories of households - the agricultural labour households and all rural labour households. The wages for men are taken into account because

their rates are the highest. Secondly, only the number of days in wage employment in agricultural and non-agricultural operations are taken into account, excluding thus the days in self-employment and employment on salary basis.

3. In computing the annual wages for the rural weaker section, mention may be made that average earnings per man day<sup>6/</sup> for the two categories (i) small cultivator households (ii) non-cultivating wage earner households as obtained from the NSS survey on weaker section are used. The estimates of number of days of wage employment are taken from the second RLE (1974-75). As has been mentioned earlier, these estimates are given for two categories (i) agricultural labour households and (ii) all rural labour households. In constructing the estimates of annual wages therefore, the estimates of number of days of wage employment for all rural labour households are taken to compute for the non-cultivating wage earner households and that of agricultural labour households for the small cultivator households, even though realising that one to one correspondence may not exist. Again, in

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6/ The total of the amount receivable in cash and in kind per man-day of gainful work was considered to be the wage rate. For imputing the value of wages in kind the prevailing retail market price had to be considered (NSS draft report No.270, Time disposition and wage rate for economically weaker section of the rural population).

absence of the detailed report of RLE giving State-wise estimates for 1974-75, the number of days of wage employment by breakdowns of agricultural and non-agricultural operations, they are obtained for the different States by using the All India ratio of 1971-75 on the respective estimates of States for 1974-75, obtained from the Summary Report of RLE, 1974-75 and Labour Bureau.<sup>2/</sup> Since the estimates thus arrived at pertain to 1974-75, it is implicitly assumed that no change had taken place during the period 1970-71 to 1974-75. Tables (D.1) to (D.3) of Appendix IV gives the estimates derived from the different sources.

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<sup>2/</sup> Two statements containing data of second RLE (1974-75) in respect of the States of Bihar, Gujarat, Maharashtra, Tamil Nadu, Uttar Pradesh and West Bengal on number of days in wage employment and average daily earnings for men in agricultural and non-agricultural operations were kindly furnished by the Labour Bureau on request.

## RESULTS

8.5 The wages in the rural unregistered manufacturing units in the country were a meagre 18% of those in the census sector registered units in 1959, this differential further widening during the decade 1958-59 to 1968-69 to 15%; the urban unregistered units, through much better placed reported only 35% of census wage rates in 1959 decreasing to 34% during the decade. These differentials were somewhat narrowed in 1974-75, with the rural unregistered units recording 19% and the urban 36%. Within the registered sector, the sample sector wages as proportion to the census sector declined from 59% in 1959 to 45% over the sixteen years. Coming to the sector of employment covering the rural labour households, the wages stood at one-fifth of the census sector rates in 1964-65, this proportion going down further to 16 to 17% during the decade 1964-65 to 1974-75. An intermediate picture about the rural weaker section is obtained for the period 1970-71 which reveals that the wages were only 15 to 17% of the contemporary census sector rates.

8.6 It would be interesting to examine the cross sectional picture of 1974-75 covering all the sectors of employment - whereas a factory worker in the census sector earned Rs. 4288, his counterpart's wages in the sample sector were only Rs. 1913 (45%), in urban unregistered units Rs. 1551 (36%) and further down the ladder came the worker in the rural unregistered units with a mere Rs. 822 (19%), the rural labour household worker with Rs. 734 (17%). The agricultural labourer's wages were

only Rs. 682 (16%) at the bottom of the categories specified.

8.7 If we compare the wages in the census sector with those in the sample sector in the registered factory sector among the different States the differential will be revealed to be widest in Bihar and the narrowest in U.P. in 1959 - however, the gap observed in U.P. was further widened in 1974 when West Bengal reported the minimum gap. In general, the differential widened over time for all the States.

8.8 In respect of the urban and rural areas of the unregistered manufacturing sector we are left with the data relating to only two time periods, i.e. the 14th and 29th rounds of NSS. It will be observed that over time whereas, the wages in the urban sector as proportion to the wages in the census sector in Bihar (19% to 29%) and Gujarat (39% to 50%) improved considerably, that in West Bengal declined from 54% to 32%. In the rural sector the increases in Bihar (15% to 25%), U.P. (11% to 32%) and Gujarat (28% to 37%) were quite pronounced. Again, in West Bengal and Tamil Nadu there was a further widening of differentials.

8.9 Between the urban and rural sectors, wide differential existed in 1958-59 in U.P. which seemed to narrow down much in 1974-75. But the initial differential in Maharashtra in 1958-59 was discernible even after a period of 16 years.

8.10 We would now focus the inter-state differential in wages pertaining to rural labour households as

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compared to the census sector of the manufacturing industry. Among the selected States, West Bengal had the highest wages in 1964-65 for the agricultural labour households and all rural labour households, both in absolute terms as well as, relative to the census sector wages. As a proportion to the census sector, the wages of the agricultural labour households were the minimum (14%) in Bihar followed by U.P.(16%). A comparative picture in 1970-71 as revealed by the results of the rural weaker section, shows that the wages of the small cultivator households and the non-cultivator wage earner households in Bihar were only one-tenth of the wages in the census sector, the corresponding wages for Maharashtra and Tamil Nadu being only 13-14%.

8.11 Again, a comparative study of the wages of agricultural labour and all rural labour households in 1974-75 with respect to the rates in '64-'65 discloses that except for Uttar Pradesh, in all the selected States the proportion of wages of these households compared to the census sector went down further, indicating widening of the differentials. Particular mention may be made of West Bengal and Gujarat where the decline was quite pronounced - the wages went down from 31% to 18% in case of former and from 26% to 19% in the latter. Bihar and Maharashtra reported the widest differentials of the order of 12 to 13%.

8.12 We have observed from the inter-sectoral comparison given above that very wide differentials exist between the wages in large units of registered manufacturing sector and those obtaining in different sectors. Even as compared to the sample sector (smaller units), except for the urban

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unregistered manufacturing units in some States, marked differences are noticed. The wages in 1974-75 in rural unregistered manufacturing units were only 43 per cent of the sample sector wages. The wages of the rural labour households were 46 per cent of the sample sector wages in 1964-65, this proportion going down further to 33 per cent during the decade 1964-65 to 1974-75. A widening of differentials with respect to agricultural labour and rural labour households was noticed for the period 1964-65 to 1974-75 in all selected States except Uttar Pradesh and Tamil Nadu. The wages of the small cultivator households and non-cultivating wage earner households in 1970-71 were 32-35 per cent of those in the sample sector.

CHAPTER 9

S U M M A R Y

9.1 This bulletin deals with trends in wages, labour productivity and share of wages in value added in the registered manufacturing sector ( including electricity and gas ) during the period 1960 to 1976. The study is separately made for the large units ( census sector ) and the smaller units ( sample sector ). Inter-state and inter-sectoral analyses are also presented to reveal the differential features.

9.2 At current prices the annual wages per worker in the factory sector increased from Rs.1200 in 1960 to Rs.4357 in 1976. The wage for large units was double that for the smaller units and the difference widened progressively over the period. There was a substantial increase in real wages in the census sector during the period against a decline noticed in the sample sector.

9.3 At current prices the labour productivity ( value added per employee ) in the factory sector increased from Rs.2761 in 1960 to Rs.10974 in 1976, the sharp increase in the later years being mostly due to the inflationary conditions. In real terms the labour productivity remained almost static during the seventies except for 1976 when the productivity increased. As between the census and the sample sectors, whereas there was an increase in labour productivity in the census sector, a decline could be noticed in the sample sector.

9.4 Trends in wages in relation to consumer price index and productivity showed that the wage level followed by

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and large, the productivity movements. For a few years when rate of increase of consumer prices was more than that of productivity, the wage level was found to be nearer that of the prices than productivity.

9.5 The share of wages in value added remained almost static during the period 1960 to 1968 but declined thereafter. This decline was noticed in both the sectors.

9.6 The study relating to the six industrialised States of Bihar, Gujarat, Maharashtra, Tamil Nadu, Uttar Pradesh and West Bengal indicates wide differentials, Maharashtra reporting the highest wage and Uttar Pradesh the lowest. The wages in the sample sector in all these States were less than half of those in the census sector during 1973-76, the differentials having widened over time. As in respect of wages, Maharashtra also reported the highest labour productivity throughout the period, widest gap noticed with respect to Uttar Pradesh. The average share of wages in value added varied between 33 per cent for Maharashtra to 43 per cent in respect of West Bengal. Whereas a declining trend for this ratio was observed for the States of Gujarat, Maharashtra, Uttar Pradesh and to a lesser extent in Bihar and Tamil Nadu, an increasing trend is observed in case of West Bengal. The declining trend in the share of wages in the value added in most of the selected States may be due to an increasing role of capital in production and a rise in the proportion of 'employees other than workers'.

9.7 A comparison of the wages obtaining in different sectors with the large units of the registered manufacturing sector disclosed very wide differentials.

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Even as compared to the smaller units of the registered manufacturing sector, marked differences are noticed except for the urban unregistered manufacturing units in some States. The cross sectional picture for 1974-75 shows that the wages of the rural unregistered manufacturing units were only 43 per cent and those of rural labour households and agricultural labour households respectively 38 per cent and 36 per cent of the sample sector wages.

APPENDIX - I

CONCEPTS AND DEFINITIONS

The relevant concepts and definitions are explained below :

1. Registered factory : is one registered under the Factories Act, 1948 employing 10 or more workers and using power and 20 or more workers and not using power. Closed factories are also included till they are deleted from the lists maintained by the Chief Inspectors of Factories in the States.
2. Fixed capital : represents the depreciated value of all fixed assets of the factory as on the closing day of the accounting year. Fixed capital covers all goods new or used that have a normal economic life of one or year more ( for example land, buildings including those under construction, plant and machinery, transport equipment, etc. ). It includes the fixed assets of the head office allocable to the factory. Assets solely used for post manufacture distribution as well as intangible assets are, however, excluded from fixed capital.
3. Working capital : comprises stock of materials, stores, fuels, semi-finished goods and finished goods, cash in hand and at bank, net balance of amounts receivable over amounts payable as at the end of the accounting year. It excludes fixed deposits, long term loans and investments.
4. Workers : The term 'worker' is used in the same sense as defined in Section 2(1) of the Factories Act, 1948

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where a worker is defined as a person employed directly or through any agency whether for wages or not, is any manufacturing process or in cleaning any part of the machinery or premises used for manufacturing process or any kind of work incidental to or connected with the manufacturing process or the subject of the manufacturing process. However, persons holding positions of supervision and management or employed in a confidential position are excluded.

5. Employees : relate to all persons engaged by the factory in work connected directly or indirectly with the manufacturing process and include all administrative, technical and clerical staff, as also labour engaged in production of capital assets for factory's own use. It includes employees in the so called sales department, as also those engaged in purchase of raw materials etc. and fixed assets for the factory. They also include the proprietors and partners and their unpaid family members who work in or outside the factory. Persons in the head office connected with the manufacturing activity of the factory are also included in this item.

The number of 'workers' or 'employees' is an average number per working day ( days on which the manufacturing process was carried on ). It is calculated by adding, for each category, persons attending and on leave with pay ( including those on strike but excluding those on unlimited leave, leave without pay ) in each shift over all the shifts worked on all days ( working and non-working ) and dividing the result by the number of days on which the manufacturing process was carried on.

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6. Wages : include all payments made to workers in cash as compensation for work done during the year, for example, basic wages, dearness allowance, over time payments, shift allowance, leave wages, wages for paid holidays and regular bonuses such as production bonus, good attendance bonus, incentive bonus etc., which are paid more or less regularly for each pay period.

7. Emoluments : include the salaries and wages paid during the year to persons in employment. It includes profit sharing, festival and other bonuses and ex-gratia payments paid at less frequent intervals ( i.e., other than bonuses paid more or less regularly for each pay period ). Benefits in kind in respect of supplies made or services rendered such as housing, medical, education and recreational facilities are included in this item. It excludes factory expenses in the shape of employer's contribution to provident fund, pension, gratuity or similar other charges.

8. Total output : is the ex-factory value of all finished products and by-products manufactured and the value of services rendered by the factory for others during the survey year. It includes the net value of semi-finished goods and sale value of goods sold in the same condition as purchased.

9. Value added by manufacture : provides a measure of the contribution made by the resources of labour and capital equipment in producing the output of an activity and is obtained by deducting from the total value of output the total value of input and depreciation.



APPENDIX - II

CONCEPTUAL DIFFERENCES IN LABOUR BUREAU  
AND ASI ESTIMATES OF EMPLOYMENT

1. The data on the number of factories and number of workers are compiled by the Labour Bureau, Simla and published in the Indian Labour Journal. The figures given in the publication are not, however, comparable with the ASI data used in this bulletin because of the following reasons :

- (i) The Labour Bureau data cover factories registered under Section 85 of the Indian Factories Act, 1948 also, in addition to those registered under Sections 2m(i) and 2m(ii) which only are covered by the ASI.
- (ii) The Labour Bureau excludes the days spent on repair and maintenance while calculating the number of working days whereas the ASI includes them.

2. The Labour Bureau, Simla publishes another series of employment data based on Part II of the ASI schedule in the publication "Labour Statistics under the Annual Survey of Industries". These data also differ from the figures shown in the ASI - Summary Results brought out by the Central Statistical Organisation (CSO) because --

- (i) The CSO figures are based upon aggregates for the entire survey year as reported in Part I of the ASI schedule, while the Labour Bureau figures are estimates based upon the data collected for the last month of the fourth quarter of the reference year.

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(ii) CSO figures exclude attendance on non-working days whereas the Labour Bureau data include these. On the other hand, the employment data given by the CSO include persons on leave with pay as also man days lost through strikes and lock-outs besides the persons attending, whereas the Labour Bureau figures relate to persons attending only.

3. The Labour Bureau figures include employment in water supply, sanitary services, recreational and personal services while the CSO figures exclude them.

TABLE (A.1.0) : NUMBER OF FACTORIES, WORKERS AND EMPLOYEES IN THE REGISTERED FACTORY  
SECTOR AND SOME ECONOMIC INDICATORS DURING 1960-76

Year	ALL INDUSTRIES							ALL INDIA
	Consumer price Index for ind- ustrial workers (1961=100)	Index No. of per capita income (1961=100)	Index of industr- ial pro- duction (1961=100)	census sector				
				facto- ries	workers ( '000)	employees other than workers ('000)	employees ( '000)	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
1960	96.2	99.1	91.6	8391	2531	323	2904	
1961	100.0	100.0	100.0	8930	2739	311	3050	
1962	102.9	99.3	109.7	9541	2838	380	3268	
1963	105.3	102.2	113.3	10094	3023	420	3443	
average annual rate of change (1960-63)	3.2	1.0	9.1	6.3	5.5	9.3	5.9	
1964	120.2	107.3	123.9	11943	3254	544	3793	
1965	131.7	99.1	140.3	13155	3345	641	3936	
1966	145.2	97.6	140.3	11997	3297	635	3932	
1967	165.4	104.2	139.7	12152	3263	666	3934	
average annual rate of change (1963-67)	11.3	0.7	4.2	5.2	2.0	12.9	3.4	
1968	170.2	104.5	149.3	12160	3261	707	3963	
1969	163.3	103.6	160.5	12754	3401	751	4152	
1970	176.9	112.7	163.3	13542	3514	797	4311	
1971	182.7	111.6	176.2	15145	3725	870	4595	
average annual rate of change (1967-71)	2.6	1.3	6.0	7.6	3.3	6.9	4.0	
1973	225.9	110.7	187.5	14831	3300	944	4744	
1974	292.3	109.5	190.8	16017	3911	1013/009	4920	
1975	303.7	117.0	202.0	16642	4097	1094	5191	
1976	234.6	116.5	221.8	13063	4229	1161	5390	
average annual rate of change (1971-76)	10.0	0.9	4.8	2.5	2.6	6.0	3.3	
average annual rate of change (1960-76)	7.4	1.1	5.7	5.2	3.2	3.7	4.0	

TABLE (A.1.0) (Contd.): NUMBER OF FACTORIES, WORKERS AND EMPLOYEES IN THE  
FACTORY SECTOR AND SOME ECONOMIC INDICATORS DURING 1960-76

Year	Sample Sector				ALL INDIA Factory Sector			
	number of				number of			
	factories	workers	employees other than	employees	factories	workers	employees other than	employee
		('000)	workers('000)	('000)		('000)	workers('000)	('000)
(1)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
1960	31763	642	98	740	40154	3223	421	3644
1961	33657	597	85	632	42587	3336	396	3732
1962	34427	640	102	742	43968	3528	492	4010
1963	35563	644	104	748	45757	3672	524	4196
average annual rate of change (1960-63)	3.9	0.3	2.9	0.6	4.5	4.4	8.2	4.8
1964	34319	606	121	727	46267	3860	655	4525
1965	35301	569	127	696	48456	3914	758	4682
1966	37349	619	150	769	49346	3916	835	4751
1967	38561	615	167	732	50713	3883	833	4716
average annual rate of change (1963-67)	2.0	- 1.0	12.7	1.3	2.6	1.4	12.7	3.0
1968	43659	691	166	857	55819	3952	873	4825
1969	47432	702	177	879	60186	4103	928	5031
1970	51020	717	188	905	64565	4231	985	5216
1971	44024	668	174	842	60007	4385	1041	5426
average annual rate of change (1967-71)	3.9	2.3	1.2	2.0	4.5	3.1	5.7	3.6
1973	49083	852	214	1055	63964	4652	1158	5810
1974	48064	845	235 <del>79</del>	1080 <del>124</del>	64081	4756	1288	6064
1975	54894	892	288	1180	71536	4989	1382	6371
1976	63038	974	276	1250	81106	5203	1437	6640
average annual rate of change (1971-76)	7.7	8.3	10.2	8.6	6.3	3.5	6.7	4.1
average annual rate of change (1960-76)	4.6	3.0	7.2	3.6	4.6	3.0	8.2	3.8

- Notes:
1. The annual rates of change in different characteristics for the sub-periods are obtained as averages of the yearly changes.
  2. No survey was conducted during 1972.
  3. "All industries" include those of manufacturing, electricity and gas excluding water supply (Code 420).

TABLE (A.1.1.): NUMBER OF FACTORIES, WORKERS AND EMPLOYEES IN THE REGISTERED  
FACTORY SECTOR DURING 1960 to 1976.

ALL INDUSTRIES					STATE : BIHAR							
Year	Census Sector				Sample Sector				Factory Sector			
	number				number				number			
	facto- ories ( '00)	work- ers ( '00)	Employees other than workers('00)	emplo- yees ( '00)	fact- ories ( '00)	work- ers ( '00)	employees other than workers('00)	empl- oyees ( '00)	facto- ries ( '00)	work- ers ( '00)	employ- ees other than workers ( '00)	employ- ees ( '00)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
1960	241	1331	327	1653	1327	190	34	224	1563	1521	351	1382
1961	265	1433	325	1753	1292	134	13	232	1557	1617	373	1990
1962	293	1516	341	1857	1133	217	37	254	1431	1733	373	2111
1963	307	1607	350	1957	1314	225	45	270	1621	1832	395	2227
1964	333	1650	371	2021	1380	209	46	255	1713	1859	417	2276
1965	380	1637	433	2120	1453	213	37	250	1838	1901	470	2371
1966	363	1668	446	2114	1549	255	51	306	1917	1923	497	2420
1967	384	1679	457	2136	1723	215	38	253	2112	1894	495	2389
1968	391	1691	502	2193	1899	194	50	244	2290	1885	552	2437
1969	446	1743	527	2270	1999	245	57	302	2445	1983	534	2572
1970	464	1731	537	2313	2102	253	55	313	2566	2034	602	2636
1971	535	1944	545	2439	2121	229	57	236	2706	2173	602	2775
1973	539	1797	567	2364	2014	293	73	366	2603	2090	640	2730
1974	563	1999	674	2673	1850	266	97	363	2513	2265	771	3036
1975	597	2237	779	3066	2967	341	103	444	3664	2628	882	3510
1976	705	2293	738	3036	3163	295	91	336	3363	2593	879	3472

TABLE (A.1.2.) : NUMBER OF FACTORIES, WORKERS AND EMPLOYEES IN THE REGISTERED  
FACTORY SECTOR DURING 1960 to 1976.

Year	ALL INDUSTRIES				STATE : GUJARAT								
	Census Sector				Sample Sector				Factory Sector				
	number				number				number				
	facto- ries	work- ers ( '00)	employ- ees than work- ers('00)	employ- ees ( '00)	facto- ries	work- ers ( '00)	employ- ees than wor- k rs('00)	employ- ees ( '00)	facto- ries	work- ers ( '00)	employ- ees oth- er than workers('00)	employ- ees ( '00)	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	
1960	749	2543	2314	2324	2333	509	97	706	3587	3152	378	3530	
1961	847	2799	279	3073	2952	570	83	658	3309	3369	367	3736	
1962	980	2733	309	3097	3055	605	117	722	4036	3393	426	3319	
1963	973	2755	337	3092	3276	640	120	760	4249	3395	457	3352	
1964	1035	2866	333	3249	3247	613	140	753	4332	3479	523	4002	
1965	1193	2970	434	3404	3307	555	132	697	4500	3535	566	4101	
1966	1129	2313	459	3237	3529	626	149	775	4653	3444	613	4032	
1967	1094	2795	439	3234	3803	673	163	846	4902	3473	657	4130	
1968	1042	2753	510	3263	4644	815	214	1029	5636	3563	724	4292	
1969	1175	2965	520	3435	5253	823	215	1043	6423	3793	735	4523	
1970	1166	3032	546	3623	5374	836	224	1110	7040	3963	770	4733	
1971	1419	3136	610	3796	4943	834	217	1051	6367	4020	827	4347	
1973	1475	3419	670	4039	5533	991	241	1232	7003	4410	911	5321	
1974	1522	3596	710	4305	5232	1042	239	1332	6354	4633	999	5637	
1975	1564	3305	732	4537	6301	1002	233	1290	7365	4307	1070	5377	
1976	1766	3719	347	4566	7944	1074	304	1373	9710	4793	1151	5944	

TABLE (A.1.3) : NUMBER OF FACTORIES, WORKERS AND EMPLOYEES IN THE REGISTERED  
FACTORY SECTOR DURING 1960 TO 1976.

STATE : MAHARASHTRA												
ALL INDUSTRIES												
Year	Census Sector				Sample Sector				Factory Sector			
	number				number				number			
	fact- ories ( '00)	wor- kers ( '00)	employ- ees than wor- kers ('00)	employ- ees ( '00)	fact- ories	wor- kers ( '00)	employ- ees than wor- kers ('00)	employ- ees ( '00)	fact- ories	wor- kers ( '00)	employ- ees than wor- kers ('00)	employ- ees ( '00)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
1960	1688	5753	499	6257	6335	1527	231	1658	8073	7285	630	7915
1961	1816	6001	497	498	6605	1182	112	1294	8421	7183	609	7792
1962	2054	6164	530	6744	6428	1299	141	1440	8402	7463	721	8104
1963	2110	6267	638	6905	6296	1143	154	1302	8406	7415	792	8207
1964	2507	6455	1098	7553	6268	976	206	1182	8775	7431	1304	8735
1965	2750	6304	1368	7672	6149	914	223	1137	8899	7218	1591	8309
1966	2361	6121	1390	7511	6697	1126	301	1427	9058	7247	1691	8938
1967	2452	6057	1404	7461	6552	1040	370	1410	9004	7097	1774	8371
1968	2586	6340	1536	7876	7308	1077	286	1363	9894	7417	1822	9239
1969	2665	6476	1597	8073	8186	1249	303	1552	10351	7725	1900	9625
1970	2941	6604	1699	8303	8300	1360	353	1713	11741	7964	2052	10016
1971	3492	7059	1859	8913	7330	1033	307	1395	10822	8147	2166	10313
1973	3161	7300	1979	9279	7566	1453	398	1851	10727	8753	2377	11130
1974	3335	7459	2217	9676	7468	1471	500	1971	10803	8930	2717	11647
1975	2983	7221	2241	9462	9401	1609	562	2171	12324	8330	2803	11633
1976	3130	7529	2395	9924	10802	1642	520	2162	13932	9171	2915	12086



TABLE (A.1.4) : NUMBER OF FACTORIES, WORKERS AND EMPLOYEES IN THE REGISTERED FACTORY SECTOR DURING 1960 TO 1976

ALL INDUSTRIES												STATE: TAMIL NADU	
Year	Census Sector				Sample Sector				Factory Sector				
	number				number				number				
	factories	workers	employees other than workers	employees	factories	workers	employees other than workers	employees	factories	workers	employees other than workers	employees	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	
1960	729	1376	180	2053	4359	828	115	943	5570	2704	295	2999	
1961	781	2100	172	2272	4300	701	73	770	5531	2301	250	3051	
1962	838	2155	215	2370	4702	712	114	826	5540	2867	329	3196	
1963	900	2356	246	2602	5273	760	122	882	6173	3116	368	3434	
1964	1045	2736	429	3165	3783	672	129	801	4323	3403	558	3966	
1965	1168	2943	538	3481	4290	631	150	781	5453	3574	638	4262	
1966	1089	3033	618	3651	4091	703	163	871	5180	3736	785	4521	
1967	1154	3155	662	3817	4416	682	219	901	5570	3837	881	4718	
1968	1234	3131	663	3844	5020	840	136	1026	6254	4021	849	4870	
1969	1269	3439	728	4167	5392	753	187	934	6661	4192	909	5101	
1970	1268	3634	771	4405	5606	1037	243	1280	6874	4671	1014	5635	
1971	1542	3903	839	4747	4403	820	193	1013	5945	4723	1037	5766	
1973	1335	3690	750	4440	5542	1039	255	1344	6927	4779	1005	5784	
1974	1496	3751	872	4623	5455	1130	277	1407	6941	4331	1149	6030	
1975	2609	4269	995	5264	4735	781	360	1141	7344	5050	1355	6405	
1976	2714	4454	1107	5561	5527	887	229	1116	8241	5341	1336	6677	

TABLE (A.1.5) : NUMBER OF FACTORIES, WORKERS AND EMPLOYEES IN THE REGISTERED  
FACTORY SECTOR DURING 1960 TO 1976

STATE: UTTAR PRADESH

Year	Census Sector				Sample Sector				Factory Sector			
	number				number				number			
	fact- ories (1)	wor- kers (2)	employ- ees other than wor- kers ('00) (3)	emplo- yees (4)	fact- ories (5)	wor- kers (6)	employ- ees other than wor- kers ('00) (7)	emplo- yees (8)	fact- ories (9)	work- ers (10)	employ- ees other than wor- kers ('00) (11)	employees (12)
1960	543	2044	270	2314	1722	300	64	444	2265	2424	334	2758
1961	593	2260	263	2523	1879	411	50	461	2472	2671	313	2984
1962	639	2231	272	2553	2068	430	61	491	2707	2711	333	3044
1963	701	2389	313	2702	2079	417	63	430	2780	2306	376	3182
1964	791	2424	334	2758	2162	425	74	499	2953	2349	403	3257
1965	843	2592	370	2662	2313	463	77	540	3151	3055	447	3502
1966	793	2443	392	2840	2576	425	95	520	3374	2373	487	3360
1967	775	2233	338	2671	2636	541	308	649	3411	2824	496	3320
1968	813	2340	406	2746	2966	569	109	677	3784	2909	515	3424
1969	850	2325	452	2777	3309	572	127	699	4159	2397	579	3476
1970	865	2661	506	3167	3627	607	132	739	4492	3263	638	3906
1971	1000	2810	540	3350	3045	583	137	720	4045	3393	677	4070
1973	1117	2390	669	3559	3695	636	163	849	4812	3576	832	4403
1974	1049	3293	831	4129	3303	721	197	913	4352	4019	1023	5047
1975	1164	3465	947	4412	3636	554	81	635	4800	4019	1029	5047
1976	1406	3768	934	4702	4607	934	262	1196	6013	4702	1196	5898

APPENDIX - III

TABLE (A.1.6) : NUMBER OF FACTORIES, WORKERS AND EMPLOYEES IN THE REGISTERED  
FACTORY SECTOR DURING 1960 TO 1976.

ALL INDUSTRIES					STATE: WEST BENGAL							
Year	Census Sector				Sample Sector				Factory Sector			
	number				number				number			
	fact- ories ( '00)	wor- kers ( '00)	employ- ees than wor- kers('00)	employ- other yees ( '00)	fact- ories	wor- kers ( '00)	employ- ees than wor- kers('00)	employ- other yees ( '00)	fact- ories	wor- kers ( '00)	employ- ees than wor- kers('00)	employees ( '00)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
1960	1312	5322	832	6654	2548	579	129	708	3860	6401	961	7362
1961	1435	5991	804	6795	2737	638	124	762	4172	6629	928	7557
1962	1548	6364	923	7287	2368	622	137	759	4416	6986	1060	8046
1963	1593	6900	1035	7935	3090	720	80	800	4633	7620	1115	8735
1964	1793	7086	1160	8246	3228	706	178	884	5021	7792	1338	9130
1965	2000	7405	1391	8796	3283	623	133	806	5283	8028	1574	9602
1966	1904	7132	1506	8638	3792	716	218	934	5696	7848	1724	9572
1967	1385	6912	1308	8220	3873	656	202	858	5758	7563	1510	9073
1968	1630	6214	1250	7464	4362	747	221	968	5992	6961	1471	8432
1969	1660	6370	1237	7657	4622	826	239	1065	6282	7196	1526	8722
1970	1637	6245	1245	7490	4765	749	220	968	6402	6994	1465	8459
1971	1838	6625	1364	7989	4076	593	204	797	5964	7213	1568	8786
1973	1432	6765	1189	7953	3709	783	241	1024	5194	7543	1430	8973
1974	1513	6372	1323	7700	3516	769	257	1026	5034	7141	1585	8726
1975	1435	6671	1444	8115	4465	739	274	1012	5950	7510	1618	9127
1976	1540	6377	1499	7876	4621	673	260	933	6161	7050	1759	8309

TABLE (A.2.0): PRINCIPAL CHARACTERISTICS FOR ALL INDIA  
DURING 1960 TO 1976

Year	ALL INDUSTRIES				ALL INDIA							
	CENSUS SECTOR				SAMPLE SECTOR				FACTORY SECTOR			
	Wages (Rs.)	Emolu- ments (Rs.)	Value added (Rs.crores)	Productive capital (Rs.crores)	Wages (Rs.)	Emolu- ments (Rs.)	Value added (Rs.crores)	Productive capital (Rs.crores)	Wages (Rs.)	Emolum- ments (Rs.)	Value added (Rs.crores)	Productive capital (Rs.crores)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
1960	1325	1656	864	20001	701	784	142	279	1200	1479	1006	2250
1961	1413	1757	988	2374	804	894	151	354	1304	1600	1139	2728
1962	1530	1922	1116	3437	813	889	151	329	1400	1731	1267	3766
1963	1608	2036	1295	4075	854	963	164	335	1476	1845	1459	4410
1964	1684	2185	1504	5276	908	1032	168	325	1562	2002	1672	5601
1965	1862	2265	1700	6445	984	1092	178	336	1735	2091	1878	6781
1966	2044	2499	1832	7681	1115	1274	217	448	1897	2301	2049	8129
1967	2261	2783	1899	8328	1187	1381	214	470	2091	2551	2113	8798
1968	2429	3105	2067	9006	1259	1435	238	604	2224	2808	2305	9610
1969	2564	3230	2467	9934	1353	1559	308	617	2357	2938	2775	10551
1970	2809	3549	2809	10991	1297	1591	340	817	2553	3209	3149	11808
1971	2988	3787	3139	11998	1497	1722	299	652	2762	3468	3420	12644
1973	3716	4770	4130	14326	1796	2176	464	1016	3364	4294	4594	15342
1974	4237	5558	5487	16697	1929	2426	586	1197	3827	5077	6073	17894
1975	4791	6103	5764	18944	2052	2466	615	1440	4301	5429	6379	20384
1976	4869	6147	6543	21713	2136	2552	744	1487	4357	5470	7287	23200

- Notes :
1. No survey was conducted in 1972.
  2. The wages in Cols. (2), (6) and (10) are the annual wages per workers.
  3. The emoluments in Cols. (3), (7) & (11) are the annual emoluments per employee.
  4. The productive capital is the total of fixed capital and working capital.
  5. "All industries" include those of manufacturing, electricity and gas excluding Water Supply (Code 420).

TABLE (B.2.1) : PRINCIPAL CHARACTERISTICS FOR SELECTED STATES DURING 1960-61 TO 1976-77

STATE : BIHAR												
ALL INDUSTRIES												
Year	Census Sector				Sample Sector				Factory Sector			
	Wage (Rs)	Emolu- ments (Rs)	Value added Rs (Lakhs)	Produc- tive capital (Rs Lakhs)	Wages (Rs)	Emolu- ments (Rs)	Value added (Rs) (Lakhs)	Produc- tive capital (Rs Lakhs)	Wage (Rs)	Emolu- ments (Rs)	Value added (Rs) (Lakhs)	Produc- tive capital (Rs Lakhs)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
1960-	1817	2302	6050	25543	595	679	431	821	1664	2109	6481	26364
1961-	1995	2426	6719	27186	685	719	591	1327	1847	2227	7310	28513
1962-	1928	2413	8437	28986	672	739	663	1321	1771	2211	9100	30307
1963-	2066	2601	8964	33405	731	797	491	1059	1903	2382	9455	34464
1964-	2114	2734	10526	36952	712	780	526	1246	1956	2515	11052	38198
1965-	2277	2738	11862	55021	783	859	415	1639	2109	2540	12277	56660
1966-	2415	2930	13471	61590	841	943	522	1579	2207	2679	13993	63169
1967-	2685	3244	12502	73134	936	1084	560	1561	2486	3016	13062	74695
1968-	2858	3538	12913	76884	1031	1165	528	1769	2679	3300	13441	78653
1969-	3017	3812	14755	76550	1129	1283	748	2418	2785	3516	15503	78968
1970-	3441	4328	16582	87529	1091	1248	718	2356	3148	3957	17400	89885
1971-	3634	4600	18876	96107	1277	1432	694	2298	3386	4274	19570	98405
1973-	4236	5646	20136	112702	2187	3306	2634	5331	3949	5332	22770	118033
1974-	4714	6203	36754	122016	2167	4308	1029	3687	4415	5976	37783	125703
1975-	5589	6897	47887	235883	1960	2225	1961	14474	5118	5305	49848	250357
1976-	6039	6995	37388	263312	1875	2312	1953	5809	5565	6474	39341	269121

- NOTES :
1. No survey was conducted in 1972-73
  2. The wages in Cols (2), (6) and (10) are the annual wages per worker
  3. The emoluments in Cols (3), (7) and (11) are the annual emoluments per employee
  4. The productive capital is the total of fixed capital and working capital
  5. "All industries" include those of manufacturing, electricity and gas excluding Water Supply (Code 420).

TABLE (A.2.2) : PRINCIPAL CHARACTERISTICS FOR SELECTED STATES DURING 1960-61 TO 1976-77

ALL INDUSTRIES

STATE : GUJARAT

Year	Census Sector				Sample Sector				Factory Sector			
	Wage	Emplu-ments	Value added	Produc-tive capital	Wage	Emplu-ments	Value added	Produc-tive capital	Wage	Emulu-ments	Value added	Produc-tive capital
	(Rs)	(Rs)	(Rs Lakhs)	(Rs Lakhs)	(Rs)	(Rs)	(Rs Lakhs)	(Rs Lakhs)	(Rs)	(Rs)	(Rs Lakhs)	(Rs Lakhs)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
1960-	1580	1846	8803	14797	747	809	1838	4062	1419	1639	10641	18859
1961-	1530	1821	10073	18841	817	878	1928	5357	1409	1655	12001	24198
1962-	1641	1966	9738	25364	878	921	1397	4137	1505	1768	11135	29501
1963-	1705	2046	10873	31701	866	923	1588	3440	1547	1826	12461	35141
1964-	1874	2292	11910	34109	942	979	1785	3335	1710	2045	13695	37444
1965-	2059	2330	14089	39799	1000	1035	1892	3224	1890	2110	15081	43023
1966-	2323	2650	15325	45483	1086	1148	2219	4378	2103	2363	17544	49661
1967-	2693	3074	16535	51463	1178	1316	3301	5406	2365	2714	19836	56869
1968-	2655	3223	16767	66506	1274	1361	3485	6259	2339	2776	20252	72765
1969-	2672	3149	20330	62454	1350		3780	6800	2383	2760	24110	69254
1970-	2781	2363	23994	67620	1357	1488	4781	7319	2463	2879	28775	74939
1971-	2939	3496	25062	77783	1461	1602	3520	8592	2632	3085	28582	86375
1973-	3028	4310	35117	103461	1792	2006	5951	11656	3216	3777	44068	145117
1974-	4141	5125	53098	145831	1732	2017	7813	14454	3599	4391	60911	470285
1975-	4584	5544	50143	152325	1924	2233	6952	16378	4029	4617	57095	168703
1976-	4548	5548	59877	176442	2130	2456	8853	20396	4006	4831	68730	196838

- NOTES : 1. Survey was conducted in 1972-73  
 2. The wages in cols (2), (6) and (10) are the annual wages per worker  
 3. The emoluments in cols (3), (7) and (11) are the annual emoluments per employee  
 4. The productive capital is the total of fixed capital and working capital.  
 5. "All industries" include those of manufacturing, electricity and gas excluding Water Supply (Code 420).

Table (A.2.3): PRINCIPAL CHARACTERISTICS FOR SELECTED STATES DURING 1968 -To 1976 -

ALL INDUSTRIES

STATE: MAHARASHTRA

(1)	CENSUS SECTOR				SAMPLE SECTOR				FACTORY SECTOR			
	Wage (Rs.)	Emolu- ments (Rs.)	Value added (Rs.) (lakhs)	Product- ive capital (Rs.lakhs)	Wage (Rs.)	Emolu- ments (Rs.)	Value added (Rs.) (lakhs)	Product- ive capital (Rs.lakhs)	Wage (Rs.)	Emolu- ments (Rs.)	Value added (Rs.) (lakhs)	Produ- ctive capital (Rs.lakhs)
1960	1648	2024	23834	47404	728	831	3030	5939	1455	1774	26864	53343
1961	1745	2137	26640	53720	977	1057	3367	8212	1618	1958	30007	61932
1962	1985	2433	30946	64936	938	1027	3528	6847	1803	2186	34474	71783
1963	2097	2600	34195	72163	1071	1194	3965	7208	1938	2377	38160	85371
1964	2151	2799	38432	91384	1102	1343	3989	6704	2114	2602	42421	98088
1965	2374	2991	42525	105084	1175	1398	4179	6614	2235	2698	46704	111698
1966	2665	3270	46627	124849	1362	1601	5039	10797	2462	3003	51666	135646
1967	2913	3640	50382	134367	1398	1804	4844	8706	2691	3355	55226	143073
1968	3102	4074	55484	152200	1486	1792	4590	11461	2867	3737	60174	163661
1969	3249	4128	67395	171843	1607	1930	6666	12313	2982	3773	74061	184156
1970	3532	4528	77165	199096	1685	2040	7194	13817	3216	4103	84359	212913
1971	3731	4771	87932	207696	1803	2159	6256	12916	3474	4418	94188	220612
1973	4699	6001	112736	266944	2155	2677	11261	22913	4277	5448	123997	289857
1974	5159	7041	144946	303260	2670	3330	14189	29712	4749	6413	159135	332972
1975	5854	7721	141359	307658	2691	3373	15667	31641	5260	6909	157026	339299
1976	6088	7822	160541	367866	2736	3471	16628	31612	5408	7093	177100	399478

- NOTE: NO. 1. No survey was conducted in 1972-73.  
 2. The wages in cols. (2), (6) and (10) are the annual wages per worker  
 3. The emoluments in cols (3), (7) and (11) are the annual emoluments per employee  
 4. The productive capital is the total of fixed capital and working capital  
 5. "All industries" include those of manufacturing, electricity and gas excluding Water Supply (Code 420),

TABLE (A.2.1) : PRINCIPAL CHARACTERISTICS FOR SELECTED STATES DURING 1960-61 TO 1976-77

ALL INDUSTRIES

STATE : TAMIL NADU

Year	Census Sector				Sample Sector				Factory Sector			
	Wage (Rs) (2)	Emolu- ments (Rs) (3)	Value added (Rs) (Lakhs) (4)	Produ- ctive capital (Rs Lakhs) (5)	Wage (Rs) (6)	Emolu- ments (Rs) (7)	Value added (Rs) (Lakhs) (8)	Produ- ctive capital (Rs Lakhs) (9)	Wage (Rs) (10)	Emolu- ments (Rs) (11)	Value added (Rs) (Lakhs) (12)	Produ- ctive capital (Rs Lakhs) (13)
1960-	1216	1482	6177	10696	622	585	1837	2752	1040	1231	8014	13440
1961-	1457	1743	8060	14554	744	777	1753	2873	1278	1497	9813	17427
1962-	1553	1904	9010	19647	825	908	2149	3723	1372	1647	11159	23370
1963-	1629	2028	10060	25179	781	851	1988	3704	1422	1730	12048	28883
1964-	1643	2100	12828	41839	829	921	1962	3321	1483	1862	14790	45160
1965-	1832	2181	14950	51791	956	1050	2118	3906	1678	1974	17068	55697
1966-	1965	2374	15560	66200	1021	1159	3106	4683	1787	2139	18666	70883
1967-	2145	2615	17688	74642	1109	1285	2457	4940	1961	2360	20145	79562
1968-	2255	2745	19005	75859	1024	1320	2677	5232	1987	2445	21682	81091
1969-	2353	2915	22834	92832	1207	1457	3408	5616	2147	2445	26242	98448
1970-	2579	3201	26960	107810	1240	1471	3983	7042	2282	2812	30943	114852
1971-	2634	3308	29152	117068	1334	1528	2999	5678	2409	2994	32151	122746
1972-	3455	4349	37627	124417	1553	1885	5621	10236	3023	3023	43248	134653
1973-	4268	5339	50599	138672	1667	2210	7126	30672	3655	4609	57725	169344
1974-	4580	5826	49760	158120	1886	2047	4643	10441	4163	5153	54403	168562
1975-	4615	5649	62392	177504	1912	2405	6512	11960	4166	5107	68904	189464

- NOTES : 1. No survey was conducted in 1972-73  
 2. The wages in cols (2), (6) and (10) are the annual wages per worker  
 3. The emoluments in cols (3), (7) and (11) are the annual emoluments per employee  
 4. The productive capital is the total of fixed capital and working capital.  
 5. "All industries" include those of manufacturing, electricity and gas excluding Water Supply (Code 420).



TABLE (A.3.5) : PRINCIPAL CHARACTERISTICS FOR SELECTED STATES DURING 1960- TO 1976-

STATE : UTTAR PRADESH												
ALL INDUSTRIES												
Year	Census Sector				Sample Sector				Factory Sector			
	Wage (Rs) (2)	Emplu- ments (Rs) (3)	Value added (Rs) (Lakhs) (4)	Produ- ctive capital (Rs Lakh) (5)	Wage (Rs) (6)	Emplu- ments (Rs) (7)	Value added (Rs) (Lakhs) (8)	Produc- tive capital (Rs lakhs) (9)	Wage (Rs) (10)	Emplu- ments (Rs) (11)	Value added (Rs) (Lakhs) (12)	Produc- tive capital (Rs Lakhs) (13)
1960-	1144	1357	5572	13418	844	796	2198	1087	1274	6368	15616	
1961-	1205	1424	6262	16758	778	884	3015	1139	1341	7003	19773	
1962-	1316	1571	6256	17370	820	895	2277	1237	1462	7185	19647	
1963-	1350	1632	7456	20820	816	877	2324	1271	1518	8317	23144	
1964-	1536	1865	8954	38116	930	1024	2614	1446	1737	9906	40730	
1965-	1674	1937	11446	49236	935	1036	2432	1562	1798	12446	51688	
1966-	1787	2021	10869	60914	1126	1255	3044	1690	1902	12240	63958	
1967-	2014	2274	9010	67095	1234	1342	3531	1864	2092	10615	70626	
1968-	2166	2504	13717	76365	1343	1435	3904	2005	2292	15340	80269	
1969-	2246	2615	17302	90308	1310	1458	4995	2061	2382	19255	95303	
1970-	2481	2986	18790	112820	1304	1476	5436	2262	2700	20822	118256	
1971-	2638	3248	18107	127413	1362	1589	6111	2419	2956	21193	133524	
1973-	2948	4070	26278	159833	1674	1991	9172	2703	3669	29571	169005	
1974-	3484	4900	35450	187119	1635	3272	9860	3152	4604	39265	196979	
1975-	3929	4923	37292	205904	1653	1963	10836	2509	4382	41200	216740	
1976-	3794	4758	48557	140946	1848	2069	12122	3408	4213	53646	153068	

- NOTES : 1. No survey was conducted in 1972-73
2. The wages in cols (2), (6) and (10) are the annual wages per worker
3. The emoluments in cols (3), (7) and (11) are the annual emoluments per employee
4. The productive capital is the total of fixed capital and working capital.
5. "All industries" include those of manufacturing, electricity and gas excluding Water Supply (Code 420).

TABLE (A.2.6) : PRINCIPAL CHARACTERISTICS FOR SELECTED STATES DURING 1960-61 TO 1976

ALL INDUSTRIES

STATE: WEST BENGAL

Year	Census Sector				Sample Sector				Factory Sector			
	Emplu- ments (Rs) (2)	Value added (Rs) (Lakhs) (3)	Produc- tive capital (Rs Lakhs) (4)	Wage (Rs) (5)	Emplu- ments (Rs) (6)	Value added (Rs) (Lakhs) (7)	Produc- tive capital (Rs Lakhs) (8)	Wage (Rs) (9)	Emplu- ments (Rs) (10)	Value added (Rs) (Lakhs) (11)	Produc- tive capital (Rs Lakhs) (12)	Wage (Rs) (13)
1960-	1330	1731	10313	43522	830	978	1459	3473	1294	1658	20772	46995
1961-	1400	1815	20342	51936	931	1116	1598	4121	1355	1745	21940	56056
1962-	1528	1972	25205	75645	893	1034	1619	3688	1471	1884	26824	79333
1963-	1562	2069	29624	87070	939	1292	1940	3659	1522	1997	31564	90929
1964-	1740	2309	33032	101674	1053	1265	2030	4015	1678	2208	35062	105689
1965-	1915	2377	35448	124797	1116	1398	2062	4235	1853	2295	37510	129032
1966-	2075	2592	34955	141156	1198	1445	2502	5519	1996	2480	37537	140075
1967-	2252	2914	35375	145369	1305	1553	2114	5398	2170	2785	37409	150757
1968-	2546	3268	33587	129987	1411	1709	2354	6044	2424	3089	35941	136031
1969-	2824	3608	37836	147976	1503	1839	3224	6560	2672	3392	41060	154536
1970-	3145	3972	39567	150456	1591	1946	3373	6105	2978	3740	42940	156561
1971-	3409	4334	46205	161141	1708	2092	3220	5486	3343	4131	49425	166627
1973-	4104	5431	56824	147612	2239	2842	4803	9944	3991	5136	61627	157556
1974-	5013	6394	72546	162909	2554	3241	6332	11679	4754	6023	78870	174588
1975-	5641	6964	78685	189218	2271	2979	6359	11765	5305	6522	85044	200983
1976-	5851	7309	82266	204793	2470	3100	5834	10480	5528	6935	88100	215273

- NOTES :
1. No survey was conducted in 1972-73
  2. The wages in cols (2), (6) and (10) are the annual wages per worker
  3. The emoluments in cols (3), (7) and (11) are the annual emoluments per employee
  4. The productive capital is the total of fixed capital and working capital.
  5. "All industries" include those of manufacturing, electricity and gas excluding Water Supply (Code 420).

TABLE (A.3.C): FIXED CAPITAL, WORKING CAPITAL AND DEPRECIATION BY SECTORS

ALL INDUSTRIES

ALL INDIA

(Values: Rs. Crores)

Year	CENSUS			SAMPLE			FACTORY		
	Fixed capital	Working capital	Depreciation	Fixed capital	Working capital	Depreciation	Fixed capital	Working capital	Depreciation
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1960	1287	714	104	164	115	12	1451	829	116
1961	1474	900	127	208	146	17	1682	1046	144
1962	2320	1117	189	170	159	14	2490	1275	203
1963	2784	1291	212	163	172	14	2947	1463	226
1964	3797	1479	255	164	161	15	3961	1640	270
1965	4656	1789	302	176	160	16	4832	1949	318
1966	5628	2053	356	227	221	20	5855	2274	376
1967	6189	2139	408	256	214	22	6445	2353	430
1968	6978	2028	452	361	243	29	7339	2271	481
1969	7592	2342	513	347	270	38	7939	2612	551
1970	8324	2667	566	428	389	38	8752	3056	604
1971	8781	3244	635	362	290	37	9114	3530	671
1973	10185	4141	711	546	470	57	10731	4611	768
1974	11310	5387	771	582	615	62	11892	6002	833
1975	13240	5704	875	748	692	77	13988	6396	952
1976	15348	6365	981	790	697	83	16138	7062	1067

196

TABLE (A.3.1): FIXED CAPITAL, WORKING CAPITAL AND DEPRECIATION BY SECTORS

ALL INDUSTRIES

STATE: BINAR

(Values in Rs. Lakhs)

year	CENSUS			SAMPLE			FACTORY		
	Fixed capital	Working capital	Depreciation	Fixed capital	Working capital	Depreciation	Fixed capital	Working capital	Depreciation
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1960	19797	5746	1611	654	16167	54	20451	5913	1665
1961	20323	6863	2301	804	14553	55	21197	7316	2356
1962	21901	7085	2253	627	694	42	22528	7779	2295
1963	24498	9507	2145	623	436	39	25121	9343	2184
1964	26674	10278	1942	696	550	41	27370	10023	1983
1965	42671	12350	2580	959	680	71	43630	13030	2651
1966	43851	17739	2885	815	764	61	44666	18503	2946
1967	55209	17845	3520	910	651	79	56199	18496	3599
1968	57073	17811	3566	955	814	79	58023	20625	3645
1969	56035	20515	3935	1404	1014	120	57439	21529	4055
1970	66517	21012	4275	938	1418	126	67455	22430	4401
1971	72168	23939	4740	1267	1031	114	73435	24970	4554
1973	79618	33034	4859	2876	2455	276	82494	35539	5135
1974	77063	44953	5385	1776	1911	226	78839	46864	5611
1975	172424	63459	7699	3842	10632	233	176266	74091	7932
1976	197426	65834	9541	2875	2934	266	200303	68818	9607

TABLE (A.3.2): FIXED CAPITAL, WORKING CAPITAL AND DEPRECIATION BY SECTORS

ALL INDUSTRIES

STATE: GUJARAT

(Values in Rs. Lakhs)

Year	CENSUS			SAMPLE			FACTORY		
	Fixed capital	Working capital	Depreciation	Fixed capital	Working capital	Depreciation	Fixed capital	Working capital	Depreciation
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1960	9503	5214	912	2401	1661	126	11984	6075	1030
1961	12223	6613	1143	2943	2414	254	15171	9027	1427
1962	16960	8396	1369	2175	1962	164	19143	10350	1533
1963	22709	3912	1629	1540	1900	204	24329	10812	1833
1964	25076	9033	2190	1614	1721	140	26690	10754	2330
1965	30052	9747	2266	1652	1572	3146	31704	11319	2112
1966	34526	10957	2743	1972	2406	195	36493	13363	2930
1967	40311	10652	3312	2725	2681	256	43536	13333	3560
1968	56106	10400	3536	3693	2566	374	59799	12966	3910
1969	49040	13406	3980	3800	2992	656	52056	16398	4636
1970	53314	14306	4300	4133	3106	417	57447	17492	4005
1971	59527	13156	4726	5696	2896	587	65323	21052	5313
1973	75730	27731	6110	6803	4853	750	82533	32584	6060
1974	95530	36024	7022	8002	6452	836	103592	366693	7853
1975	122616	29709	5433	8693	7685	946	131309	37394	9379
1976	130154	38276	8044	10676	9720	1094	148040	47998	9938

TABLE (A.3.3): FIXED CAPITAL, WORKING CAPITAL AND DEPRECIATION BY SECTORS

STATE: MAHARASHTRA

(Values: Rs. Lakhs)

Year	CENSUS				SAMPLE				FACTORY			
	Fixed capital (2)	Working capital (3)	Depreciation (4)	Fixed capital (5)	Working capital (6)	Depreciation (7)	Fixed capital (8)	Working capital (9)	Depreciation (10)			
1960	27625	19779	2292	3502	2437	272	31127	22216	2564			
1961	30143	23572	2754	5098	3114	336	35246	26686	3090			
1962	30939	25997	3344	3590	3257	330	42529	29254	3674			
1963	46910	31253	4027	3409	3799	316	50319	35052	4343			
1964	56419	34965	4984	3298	3406	323	59717	38371	5307			
1965	63918	41166	5556	3567	3047	322	67465	44213	5078			
1966	79195	45654	6781	5011	5786	469	84206	51440	7250			
1967	89563	47004	7383	4376	4330	408	93939	49134	7791			
1968	104724	47476	8730	6389	5072	530	111113	52548	9310			
1969	117517	54326	9054	6755	5553	760	124272	59084	10614			
1970	130090	60006	11084	7345	6472	856	137435	75478	11950			
1971	136936	70760	12500	7003	5913	736	143939	76673	13256			
1973	165022	101922	14682	12653	10260	1339	177675	112182	16021			
1974	181729	121531	15052	12078	17634	1498	193807	139165	17350			
1975	197353	110305	17655	17524	14117	1861	214877	124422	19526			
1976	242612	125054	19458	17716	13896	2000	260528	139950	21538			

TABLE (A.3.4): FIXED CAPITAL, WORKING CAPITAL AND DEPRECIATION BY SECTORS

STATE: TAMIL NADU

(Values in Rs. Lakhs)

Year	CENSUS			SAMPLE			FACTORY		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Fixed capital	Working capital	Depreciation	Fixed capital	Working capital	Depreciation	Fixed capital	Working capital	Depreciation
1960	7375	3321	707	1482	1270	109	5057	4591	816
1961	9095	4659	946	1547	1326	140	11442	5935	1036
1962	12724	6923	1377	2097	1626	175	14821	3549	1552
1963	17012	8167	1402	1714	1990	144	16726	10157	1546
1964	32627	9212	2104	1624	1627	136	34251	10909	2240
1965	40599	11192	2501	2483	1423	225	43082	12615	2726
1966	53867	12333	3597	3171	1512	213	57038	13845	3810
1967	60436	14206	4338	3129	1811	221	63565	16017	4559
1968	61352	14507	4437	3543	1684	330	64900	16191	4767
1969	75350	17502	4769	3657	1959	341	70907	19461	5110
1970	86940	20070	5009	4299	2743	500	91239	23613	6309
1971	90817	26251	6564	3649	2029	407	94466	28200	6971
1973	93449	30968	7308	5702	4534	616	99151	35502	7924
1974	93160	45504	8207	8028	22644	830	101196	68146	9037
1975	106941	51179	8965	6343	4098	634	113284	55277	9649
1976	116651	60050	9275	7465	4495	778	124119	65345	10053

TABLE (A.3.5) FIXED CAPITAL, WORKING CAPITAL AND DEPRECIATION BY SECTORS

ALL INDUSTRIES

STATE: UTTAR PRADESH

Values: Rs. lakhs).

Year	CENSUS			SAMPLE			FACTORY		
	Fixed capital	Working capital	Depreciation	Fixed capital	Working capital	Depreciation	Fixed capital	Working capital	Depreciation
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1960	8375	5045	693	1437	761	101	9810	5806	794
1961	9467	7291	679	2105	910	141	11572	8201	820
1962	10452	6918	879	1310	967	110	11762	7835	989
1963	12888	7832	1290	1332	992	96	14320	8824	1386
1964	30237	7879	1415	1571	1043	166	31808	8922	1581
1965	39990	9246	1763	1352	1080	114	41342	10326	1877
1966	47805	13109	1875	1758	1286	171	49563	14395	2046
1967	53832	13263	2134	1983	1548	191	55815	14811	2325
1968	63030	13335	2603	2343	1561	218	65373	14896	2821
1969	75149	15159	2973	2816	2199	266	77965	17338	3239
1970	93935	18885	4029	2960	2476	282	96895	21361	4311
1971	101635	25778	4623	3397	2714	362	105032	28492	4985
1973	122325	37508	5487	5157	4015	495	127482	41523	5982
1974	141409	45710	6550	5610	4250	534	147019	49960	7084
1975	167643	38261	7282	6290	4546	603	173933	42807	7885
1976	93933	47008	8177	6734	5388	625	100672	52396	8802

-101-



TABLE (A.3.6): FIXED CAPITAL, WORKING CAPITAL AND DEPRECIATION BY SECTORS

STATE: WEST BANGAL

ALL INDUSTRIES

(Values: Rs. Lakhs)

Year	CENSUS				SIMPLS				FACTORY			
	Fixed capital (2)	Working capital (3)	Depreciation (4)	Fixed capital (5)	Working capital (6)	Depreciation (7)	Fixed capital (8)	Working capital (9)	Depreciation (10)			
1960	27001	16521	1751	1993	1480	149	28994	18001	1900			
1961	30769	21166	2253	1922	2199	231	32691	23365	2484			
1962	49558	26087	3552	1899	1789	156	51457	27876	3708			
1963	59164	27606	4115	1933	1926	160	61397	29532	4275			
1964	70494	31180	4544	2175	1840	198	72669	33020	4992			
1965	84565	40232	5995	1995	2243	190	86557	42475	6185			
1966	28142	43014	6260	2798	2721	264	100940	45735	6524			
1967	100418	44951	6833	2716	2672	258	103134	47623	7091			
1968	97842	32145	6836	3308	2736	320	101150	34881	7156			
1969	106474	41502	7532	3326	3234	339	102800	44736	7871			
1970	101365	48591	7224	3048	3057	354	104913	51640	7598			
1971	103716	57425	7493	2712	2774	264	106428	60199	7757			
1973	90983	56624	6903	4338	5606	439	95326	62230	7342			
1974	99121	63488	7227	4732	6947	455	104153	70435	7682			
1975	112093	77125	8012	4767	6998	470	116860	84123	8482			
1976	124139	80654	9479	4628	5852	499	128767	86506	9978			

APPENDIX IV

Table (B.1) : Estimates of annual wages of atricultural labour households and all rural labour households in 1964-65 for the six selected States and All India.

States	Number of days of wage employment of men 1/			Average daily earnings of men (Rs) 2/		wages for men (Rs./annum) Col. 2x5 + Col. 3x6
	Agricul- tural	Non- Agri- cultural	Total	Agri- cult- ural oper- ation	Non- cultural opera- tion	
(1)	(2)	(3)	(4)	(5)	(6)	(7)
<u>Agricultural labour households ( 1964-65 )</u>						
Bihar	192	25	217	1.39	1.55	306
Gujarat	257	33	290	1.47	1.63	432
Maharashtra	224	29	253	1.47	2.01	308
Tamil Nadu	100	23	203	1.39	1.53	205
Uttar Pradesh	139	25	214	1.10	1.47	245
West Bengal	259	34	293	1.31	1.67	526
All India	208	27	235	1.43	1.54	339
<u>All rural labour households ( 1964-65 )</u>						
Bihar	168	40	215	1.40	1.82	323
Gujarat	226	64	290	1.47	2.47	490
Maharashtra	198	56	254	1.46	2.22	413
Tamil Nadu	161	46	207	1.39	2.24	327
Uttar Pradesh	167	47	214	1.11	1.69	265
West Bengal	228	65	293	1.81	2.07	547
All India	133	52	235	1.41	1.88	356

1/ All India breakdowns of total number of days of wage employment (Col.4) in those in agricultural and non-agricultural operations (Cols.2 and 3) are obtained from Summary Report of RLE 1974-75. Since these breakdowns are not available in this report or the Final Report of RLE, 1963-65, the estimates for Cols.2 and 3 for different States are obtained by using All India ratio.

2/ Source: Table 4.4, pages 33-34 of Final Report of RLE, 1963-65.

TABLE (D.2) : Estimates of annual wages of rural weaker section in 1970-71 for the six selected States and All India

Rural weaker section (1970-71)						
Small Cultivator households				Non-cultivator wage earner households		
Average daily earnings per man day <u>1/</u>	No. of days of wage employment for men <u>2/</u>	Wages for men (Rs./ annum)	Average daily earnings per man day <u>1/</u>	No. of days of wage employment <u>2/</u>	Wages for men (Rs./ annum)	
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Bihar	1.92	201	386	1.93	202	400
Gujarat	2.34	231	541	2.65	239	633
Maharashtra	2.00	239	497	2.13	239	509
Tamil Nadu	2.15	167	359	2.15	173	374
Uttar Pradesh	2.13	215	469	2.37	215	510
West Bengal	2.42	232	561	2.54	236	599
All India	2.10	210	441	2.31	212	490

1/ Source : NSS Draft Report No.270, 25th round ( 1970-71 ).

2/ The estimates are obtained from Labour Bureau; figures for Col.(3) are taken from those relating to agricultural labour households and those for Col.(3) from those relating to all rural labour households for 1974-75. The changes in No. of days of wage employment during 1970-71 to 1974-75 are ignored.

TABLE (D.3) : Estimates of annual wages of agricultural labour households and all rural labour households in 1974-75 for the six selected States and All India.

State	Number of days of wage employment of men			Average daily earnings of men (Rs.)		Wages for men (Rs./annum)
	Agricultural	Non-agricultural	Total 1/	Agricultural operation	Non-agricultural operation	Col. 2x5 + Col. 3x6
(1)	(2)	(3)	(4)	(5)	(6)	(7)
<u>Agricultural Labour households ( 1974-75 )</u>						
Bihar	177	24	201	3.22	3.30	651
Gujarat	203	23	231	3.24	3.22	748
Maharashtra	211	28	239	2.63	2.88	636
Tamil Nadu	147	20	167	3.64	3.56	606
Uttar Pradesh	189	25	215	3.19	3.56	693
West Bengal	204	28	232	3.49	3.27	904
All India 2/	135	25	210	3.24	3.27	691
<u>All rural labour household (1974-75)</u>						
Bihar	152	50	202	3.24	3.86	685
Gujarat	180	59	239	3.22	3.11	763
Maharashtra	180	59	239	2.64	3.70	693
Tamil Nadu	131	42	173	3.69	4.44	670
Uttar Pradesh	162	53	215	3.21	3.95	729
West Bengal	178	58	236	3.49	4.86	903
All India 2/	160	52	212	3.26	4.09	734

1/ The estimates given in Cols. 4-6 are obtained from the Labour Bureau.

2/ The estimates given in Cols. 2-4 are obtained from Summary Report of RLE (1974-75) page 15. Since these breakdowns are not available for the States, the estimates for Cols. 2 and 3 for the States are obtained by using All India ratio.